

# A G E N D A

## UTAH BOARD OF WATER RESOURCES

Canyon Cove Motel  
315 West Highway 89  
Garden City, Utah

August 9, 2002

8:30 a.m.

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES - June 14, 2002
- III. CHAIR'S REPORT
- IV. FEASIBILITY REPORTS

L545 Elsinore Town	<u>County</u> Sevier
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- V. COMMITTAL OF FUNDS

E056 Deseret Irr. Co.	Millard
E073 Brady Ditch Irr. Co.	Sanpete
E079 East Bench Irr. Co.	Garfield
L540 Price City	Carbon
- VI. SPECIAL ITEMS

E081 Metropolitan Water Dist. of Pleasant Grove City (Bond Ins.; App. Sum., Feas. Rpt., & Comm. of Funds)	Utah
E085 Roy Water Cons. Subdistrict (Bond Ins.; App. Sum., Feas. Rpt., & Comm. of Funds)	Weber
E086 Centerville City (Bond Ins.; App. Sum., Feas. Rpt., & Comm. of Funds)	Davis
F353 Kent's Lake Res. Co. (Amendment)	Beaver
- VII. UTAH LAKE SYSTEM (ULS) DISCUSSION
- VIII. FLAMING GORGE WATER RIGHT
- IX. SAN JUAN WATER CONSERVANCY DISTRICT REQUEST
- X. DIRECTOR'S REPORT
- XI. OTHER ITEMS
- XII. NEXT BOARD MEETING - Sep. 20, 2002 - Blanding
- XIII. ADJOURNMENT

## **BRIEFING MEETING AGENDA**

### **UTAH BOARD OF WATER RESOURCES**

Harbor Village Resort  
785 N. Bear Lake Boulevard  
Garden City, Utah

August 9, 2002

7:00 a.m.

- I. WELCOME  
Chairman Peterson
  
- II. DISCUSSION OF PROJECTS  
Board/Staff
  
- III. OTHER ITEMS

# BOARD OF WATER RESOURCES

## Revolving Construction Fund

### Funding Status

August 9, 2002

Funds Available for Projects This FY		\$	6,444,000
<b>Projects Contracted This FY</b>			
1 Redmond Lake Irr Co	E072	\$	61,000
Total Funds Contracted		\$	61,000
Funds Balance		\$	6,383,000
<b>Projects with Funds Committed</b>			
1 Parowan West Fields Irr Co	E044	\$	15,200
* 2 Brady Ditch Irr Co	E073		60,000
* 3 East Bench Irr Co	E079		445,000
* 4 Deseret Irr Co	E056		88,000
5 Kays Creek Irr Co (Adams Dam) Amd	C001 Grant	**	4,000
6 Piute Res & Irr Co (Piute Dam)	C022 Grant	**	3,752,500
7 Piute Res & Irr Co (Piute Dam)	C022 Loan	**	197,500
Commitments for Dam Safety Studies		**	201,000
Total Funds Committed		\$	4,763,000
Funds Balance		\$	1,620,000
<b>Projects Authorized</b>			
1 Beaver Bench Irr Co	D918	\$	280,000
2 Croydon Pipeline Co	D962		35,000
3 North Canyon Irr Co	D955		315,000
4 East Bench Canal Co	E032		256,000
5 Marion Waterworks Co	E053		320,000
6 Deseret Irr Co	E056		432,000
7 Fremont Waterworks Co	E057		150,000
8 Fountain Green Irr Co	E042		212,000
9 Porcupine Highline Canal Co	E062		85,000
Total Funds Authorized		\$	2,085,000
Remaining Funds Available		\$	(465,000)

\* To be presented at Board Meeting

\*\* Dam Safety Projects

**BOARD OF WATER RESOURCES**

**Cities Water Loan Fund**

**Funding Status**

**August 9, 2002**

Funds Available for Projects This FY	\$	2,338,000
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**Projects Contracted This FY**

1 Alpine Cove Water SSD	D930	\$	460,616
Total Bonds Closed		\$	461,000
Funds Balance		\$	1,877,000

**Funds Committed to Projects**

* 1 Metropolitan Water Dist of Pleasant Grove City	E081	\$	12,000
* 2 Roy Water Conservancy Subdistrict	E085		19,000
* 3 Centerville City	E086		16,000
Total Funds Committed		\$	47,000
Funds Balance		\$	1,830,000

**Projects Authorized**

1 Hanna Water & Sewer District	D983	\$	1,371,000
2 Trenton Town	L534		1,304,000
Total Funds Authorized		\$	2,675,000
Remaining Funds Available		\$	(845,000)

\* To be presented at Board Meeting

**BOARD OF WATER RESOURCES**  
**Conservation & Development Fund**

**Funding Status**

**August 9, 2002**

Funds Available for Projects This FY	\$	8,613,000
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**Projects Contracted/Bonds Closed This FY**

1	\$	-
		-
Total Funds Contracted/Closed	\$	-
Funds Balance	\$	8,613,000

**Funds Committed to Projects**

* 1 Price City	L540	\$	2,885,000
		\$	2,885,000
Total Funds Committed		\$	5,728,000
Funds Balance		\$	5,728,000

**Projects Authorized**

1 Uintah WCD (Red Wash)	D730	\$	1,940,000
2 Strawberry High Line Canal Co	D976		3,187,000
3 Kanab Irr Co	D968		62,000
4 Center Creek Culinary Water Co	E020		450,000
5 Uintah WCD (Island Ditch)	E036		720,000
6 Mountain Regional Water SSD	E040		1,675,000
7 Midway Irr Co	E064		2,414,000
8 Town of Brian Head	L541		1,700,000
9 Magna Water Co an Improvement District	E068		700,000
10 New Santa Clara Field Canal Co	E069		930,000
11 Johnson Water District	E070		659,000
12 Ephraim Irr Co	E061		1,155,000
13 Centerville City	L544		1,142,000
* 14 Elsinore Town	L545		472,000
			<u>17,206,000</u>
Total Funds Authorized		\$	17,206,000
Remaining Funds Available		\$	(11,478,000)

\* To be presented at Board Meeting

# BOARD OF WATER RESOURCES

August 9, 2002

ADDITIONAL ACTIVE PROJECTS		Fund	Est. Board Cost	Total Cost
<b>Authorized or Committed Projects</b>				
1 Davis & Weber Counties Cnl Co (Ph 4)	D674	C&D	\$ 10,925,000	\$ 12,853,000
2 Carbonville Ditch Co	D887	RCF	462,000	597,000
3 Central Utah WCD (Prepay FY98,99,00)	D960	C&D	3,000,000	3,000,000
4 Washington County WCD (Ivins)	D925	C&D	1,390,000	5,100,000
5 Weber Basin WCD (Secondary Irr, Ph 2-5)	E029	C&D	28,369,000	33,375,000
6 Davis & Weber Counties Cnl Co(Cnl Rehab)	E035	C&D	18,230,000	21,447,000
7 Hooper Irr Co (Press Irr)	E060	C&D	16,575,000	19,500,000
Subtotal			\$ 78,951,000	\$ 95,872,000
<b>Projects Under Investigation</b>				
1 Downs Ditch Water Co	D899	RCF	\$ 7,500	\$ 10,000
2 Juab Lake Irr Co	D901	RCF	75,000	100,000
3 K Ranch LLC	D954	RCF	206,250	275,000
4 Keith Johnson	D996	RCF	37,500	50,000
5 Billy Bethers Spring, Cul, & Domestic	E021	RCF	300,000	400,000
6 Marion Park Estates	E065	RCF	173,250	231,000
7 Mayfield Irr Co	E067	RCF	187,500	250,000
* 8 Rock Dam Irr Co	E083	RCF	37,500	50,000
9 Summit County Service Area #3	E045	CWL	414,750	553,000
10 Beaver City	L543	CWL	147,000	196,000
11 Woodruff Irrigating Co	D680	C&D	600,000	800,000
12 Kane County WCD	D828	C&D	1,500,000	2,000,000
13 Richfield City	D898	C&D	450,000	600,000
14 Uintah WCD (Leota Bench)	D944	C&D	750,000	1,000,000
15 East Carbon City (Dam)	D969	C&D	7,500,000	10,000,000
16 Silver Spurs Water Co	D990	C&D	21,000	28,000
17 Gunnison Butte Mutual Irr Co	E004	C&D	1,106,250	1,475,000
18 Town of Altamont	E012	C&D	142,500	190,000
19 Draper Irr Co	E023	C&D	4,050,000	5,400,000
20 City of South Jordan	E034	C&D	2,253,000	3,004,000
21 Payson City (Walker Flat)	E037	C&D	7,500,000	10,000,000
22 Hyrum Blacksmith Fork Irr Co	E047	C&D	2,025,000	2,700,000
23 East Juab County WCD	E071	C&D	375,000	500,000
24 New Escalante Irr Co	E077	C&D	5,625,000	7,500,000
25 Independence Mutual Water Co	E078	C&D	750,750	1,001,000
* 26 Tooele County	E080	C&D	1,125,000	1,500,000
* 27 Ferron Canal & Res Co	E082	C&D	-	-
* 28 Whiterocks Irr Co	E084	C&D	1,500,000	2,000,000
* 29 Richland Nonprofit Water Co	E087	C&D	750,000	1,000,000
Subtotal			\$ 39,609,750	\$ 52,813,000
TOTAL			\$ 118,560,750	\$ 148,685,000

\* New Applications

## BOARD OF WATER RESOURCES

August 9, 2002

### Long Term Large Water Conservation Projects

1 Sanpete WCD (Narrows Dam)	D377
2 Wayne County WCD	D494
3 Cedar City Valley Water Users	D584
4 Bear River WCD	D738
5 Mapleton City	D886

BOARD OF WATER RESOURCES

Feasibility Report

Conservation and Development Fund

Appl. No.: **L-545**  
Received: 4/25/02  
Approved: 6/14/02

To be Presented at the August 9, 2002 Board Meeting

SPONSOR: ***ELSINORE TOWN***

Mayor: Valerie Hopper

LOCATION: The proposed project is located in and around Elsinore, about seven miles southwest of Richfield in Sevier County.

EXISTING CONDITIONS & PROBLEMS: Elsinore currently supplies culinary water, through a system rated "Approved" by the Division of Drinking Water, to 425 connections (276 inside the town limits and 149 outside). Although the majority of the connections have access to ditch irrigation water, provided by five entities, only about 25% actually use it. The town park receives irrigation water through a separate, piped system.

The culinary system is supplied by two wells and three springs. Water from the springs is transported about six miles to three storage tanks holding 768,000 gallons just west of town. Continuing growth has exhausted the culinary water supply, which needs to be increased. Also, much of the pipeline distribution system is old and too small to provide flows required by current fire codes.

PROPOSED PROJECT: The sponsor is requesting financial assistance from the board to improve its culinary water system by purchasing water rights, then drilling and equipping a new well, redeveloping one of its springs, installing about 4½ miles of 8 to 12-inch distribution pipeline, and adding six fire hydrants.



Jones and DeMille Engineering will provide design and construction engineering services.

The project fits in Prioritization Category 2 (municipal project required to meet existing or impending need).

COST ESTIMATE: The following cost estimate is based on the engineer's preliminary design and has been reviewed by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1.	Drill Culinary Well	LS	\$120,000	\$ 120,000
2.	Equip Well	LS	78,000	78,000
3.	Redevelop Oak Hill Spring	LS	30,000	30,000
4.	PVC Pipe			
	a. 12-inch	2,400 LF	14.00	33,600
	b. 10-inch	7,400 LF	11.00	81,400
	c. 8-inch	14,300 LF	9.50	135,850
5.	State Hwy. Crossings	250 LF	200	50,000
6.	Fire Hydrant	6 EA	1,500	9,000
7.	Valves & Fittings	LS	28,150	28,150
8.	Tracer Wire	25,000 LF	0.10	2,500
9.	Service Connection	100 EA	180	18,000
10.	Service Line	5,000 LF	4.50	22,500
11.	Road Repair	9,100 SY	10.00	<u>91,000</u>
Construction Cost				\$ 700,000
Contingencies				70,000
Water Rights Purchase				540,000
Legal and Administrative				15,000
Design and Construction Engineering				<u>119,000</u>
TOTAL				\$1,444,000

COST SHARING  
& REPAYMENT:

The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$ 472,000	33%
Comm. Impact Board (Loan)	450,000	31
Comm. Impact Board (Grant)	450,000	31
Sponsor	<u>72,000</u>	<u>5</u>
TOTAL	\$1,444,000	100%

If the board authorizes the project, it is suggested the bonded indebtedness of \$472,000 be repaid in 25 years at 2% interest according to the following schedule (includes reserves):

<u>Year</u>	<u>Payment</u>
1	\$ 22,000
2	23,000
3	23,000
4	23,000
5	24,000
6	24,000
7	25,000
8	25,000
9	25,000
10	26,000
11	26,000
12	26,000
13	27,000
14	27,000
15	27,000
16	28,000
17	28,000
18	28,000
19	29,000
20	29,000
21	29,000
22	29,000
23	30,000
24	30,000
25	30,000±

ECONOMIC  
FEASIBILITY:

The proposed project is economically feasible if its cost is less than that of the best alternative. The sponsor and its engineer evaluated a pressurized secondary irrigation system project that would accomplish the same purpose of making enough culinary water available to serve future needs.

All capital and operation costs of the secondary system were discounted to present worth to calculate the benefit of the proposed project. When this discounted value is compared with the cost of the water supply development portion of the proposed project, the benefit/cost ratio is 1.60.

FINANCIAL  
FEASIBILITY:

Based on the board's current water service affordability guidelines, Elsinore residents could pay up to \$23.50 monthly for all water. The cost of water with the proposed project, based on 425 existing connections, is as follows:

	<u>Annual Cost</u>	<u>Cost/Conn/Mo</u>
Existing Culinary Water	\$ 89,300	\$ 17.51
Existing Ditch Water	5,300	1.04
New O&M	3,800	.75
CIB Loan (2.5%, 20 yrs.)	33,700	6.61
Proposed BWRe Loan	<u>22,000</u>	<u>4.31</u>
TOTAL	\$154,100	\$ 30.22

Current monthly water rates for connections both inside and outside town limits are \$10.00 for the first 20,000 gallons, and \$1.00 per thousand gallons above that.

BENEFITS:

The project will provide water needed for growth, and will remedy existing distribution system pressure and fire protection problems.

PROJECT  
SPONSOR:

Elsinore Town was incorporated February 22, 1892, has a current population of approximately 760, and has grown at an average annual rate of about 1.9% since 1990; the Governor's Office of Planning and Budget projects annual growth to taper off to about 0.9% after 2010. The proposed project repayment schedule reflects an average annual growth rate of 1.26% over the repayment period.

The town received \$133,000 from the board in the late 1970s to help make improvements to the culinary system; that loan has been paid off.

WATER RIGHTS  
& SUPPLY:

The town's existing water sources are:

<u>Source</u>	<u>Right No.</u>	<u>Quantity (cfs)</u>
Underground Wells	63-182	0.764
Mortensen Spring & Creek	63-2023	0.045
North & South Creek Spring	63-2024	0.134

Details of the proposed well are:

<u>Source</u>	<u>Right No.</u>	<u>Quantity (cfs)</u>
Underground Well	63-1595	0.390
Underground Well	63-1596	0.134

Redevelopment of Oak Hill Spring will require an attorney's opinion stating the town has the necessary water rights supporting increased withdrawal.

EASEMENTS:

Easements will need to be obtained from Sevier County, the state Department of Transportation, and private property owners.

ENVIRONMENTAL:

Proposed pipelines will be installed in existing road rights-of-way. Very little disruption to the environment is expected.

WATER  
CONSERVATION:

The town discourages outside watering between the hours of 10:00 a.m. and 6:00 p.m.; as a condition of project funding, it will be required to adopt an ordinance prohibiting pressurized irrigation of landscapes during those hours. It will also be required to adopt a more progressive rate structure.

The town is in the process of preparing a water management and conservation plan.

SPONSOR'S  
RESPONSIBILITIES:

The town will be required to make all arrangements to sell the board a non-voted revenue bond as well as verify it has adequate water rights and rights-of-way to construct the project. If the project is authorized, a list of requirements and procedures necessary to close the loan will be furnished to the town.

PROJECT  
CONTACT  
PEOPLE:

Mayor:

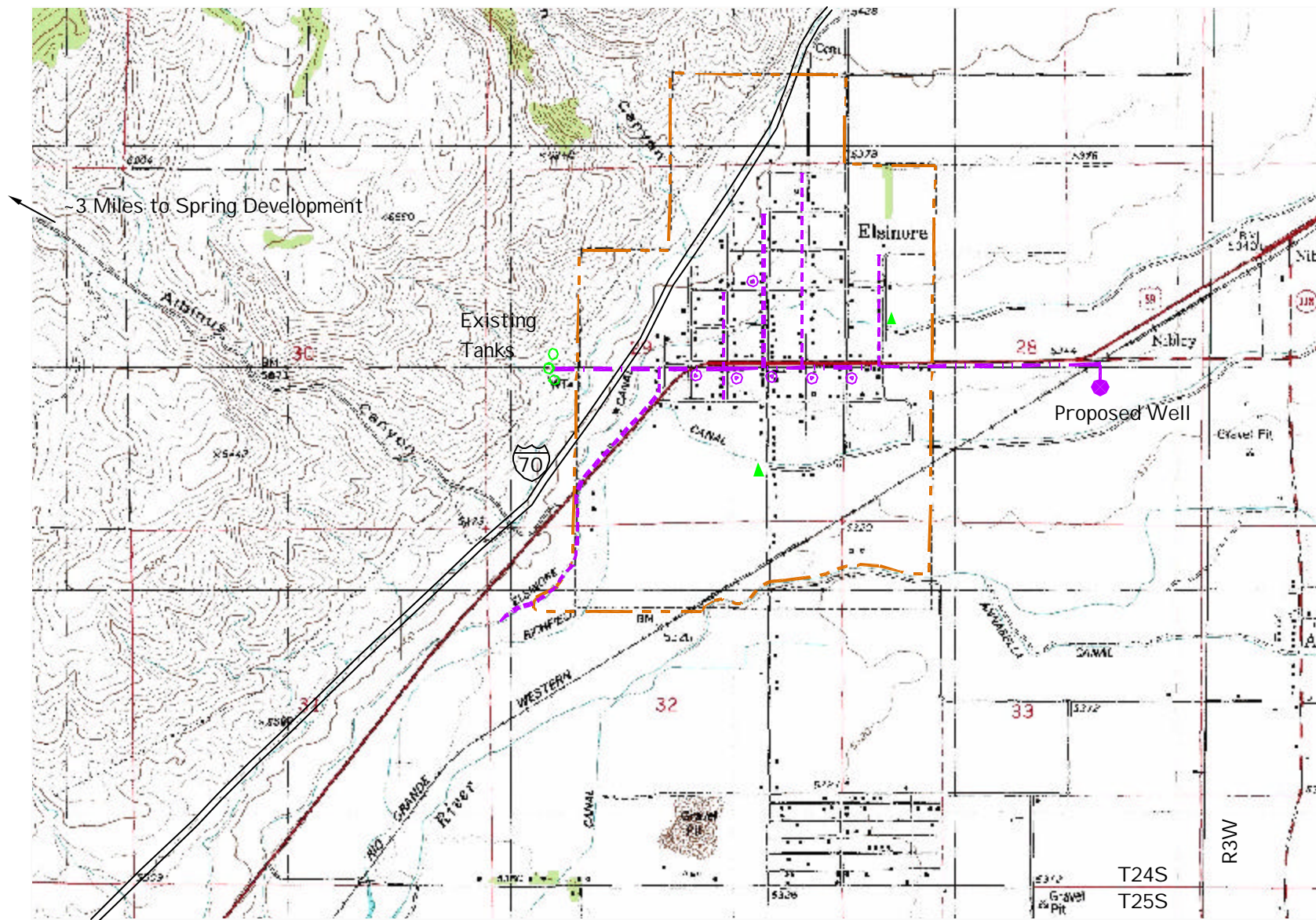
Valerie Hopper  
15 East 200 North  
P.O. Box 408  
Elsinore, UT 84724  
Phone: (435) 527-3306

Councilmember:

Eldred Jensen  
15 East 200 North  
P.O. Box 408  
Elsinore, UT 84724  
Phone: (435) 527-3306

Engineer:

Tim Jones  
Jones & DeMille Engineering  
1440 South Pipe Lane  
Richfield, UT 84701  
Phone: (435) 896-8266

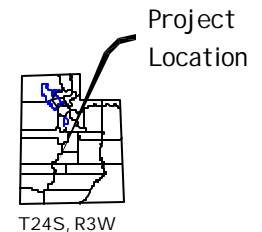


# ELSI NORE TOWN Culinary Water Project Sevier County

- 12" PVC Pipeline
- 10" PVC Pipeline
- 8" PVC Pipeline
- Town Boundary
- Proposed Fire Hydrant
- Existing Well

Scale in Feet

0 2,000 4,000



BOARD OF WATER RESOURCES

Committal of Funds

Revolving Construction Fund

Appl. No.: **E-056**  
Received: 6/8/01  
Approved: 8/10/01  
Authorized: 8/10/01  
Committed (Ph. I): 9/21/01

To be Presented at the August 9, 2002 Board Meeting

SPONSOR: **DESERET IRRIGATION COMPANY**

President: Jerry Skeem  
5275 South 2950 West  
Oasis, UT 84650  
Phone: (435) 864-2696

LOCATION: The proposed project is located south of the communities of Hinckley and Deseret, which are 5-6 miles southwest of Delta in Millard County.

PROJECT SUMMARY: A year ago the board authorized the sponsor's \$900,000, multi-phase project to pipe approximately 12,000 feet of the South Hinckley Canal, and concrete-line about 9,500 feet of the Old Deseret Canal. Last fall and spring the sponsor installed about a mile of the pipeline, and is now ready to begin Phase II, lining about 3,200 feet of canal.

COST ESTIMATE & SHARING: The overall project was authorized based on 80% cost sharing from the board and 20% from the irrigation company. The proposed cost estimate and sharing for Phase II are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$88,000	80%
Sponsor	<u>22,000</u>	<u>20</u>
TOTAL	\$110,000	100%

PURCHASE AGREEMENT: Board financial assistance for the entire project is to be returned in 12 years at 0% interest with payments starting at \$5,000 and increasing to \$87,000. If the board commits funds to this phase of the project, it is proposed the purchase agreement terms remain as authorized: Phase II will be purchased from the board in two years at 0% interest with annual payments of \$81,000 in 2008 and approximately \$7,000 in 2009.

The following table summarizes authorized payments, those for Phase I (under contract), and those for Phase II (proposed):

PAYMENT			
<u>Years</u>	<u>Authorized</u>	<u>Phase I</u>	<u>Phase II</u>
2003	\$ 5,000	\$ 5,000	-
2004	5,000	5,000	-
2005	10,000	10,000	-
2006	87,000	87,000	-
2007	87,000	87,000	-
2008	87,000	6,000±	\$ 81,000
2009	87,000	-	7,000±
2010	87,000	-	-
2011	87,000	-	-
2012	87,000	-	-
2013	87,000	-	-
2014	4,000±	-	-



BOARD OF WATER RESOURCES

Committal of Funds

Revolving Construction Fund

Appl. No.: **E-079**  
Received: 5/30/02  
Approved: 6/14/02  
Authorized: 6/14/02

To be Presented at the August 9, 2002 Board Meeting

SPONSOR: **EAST BENCH IRRIGATION COMPANY**

President: Randall Hatch  
Box 489  
Panguitch, UT 84759  
Phone: (435) 676-2415

LOCATION: The proposed project is located about 1½ miles northeast of Panguitch in Garfield County.

PROJECT SUMMARY: The sponsor is requesting assistance from the board to install about 16,000 feet of 24-inch PVC pipeline, adjacent to the existing East Bench Ditch, to carry the sponsor's primary water right of 8.65 cfs. The project will also include an intake structure and ten turnouts.

COST ESTIMATE & SHARING: The authorized cost estimate assumed the sponsor would install the pipeline with its own forces. Because it now desires a contractor to furnish materials and install the entire project (citing a lack of sponsor equipment and manpower), the current cost estimate exceeds that authorized. The authorized and proposed cost sharing are:

<u>Agency</u>	<u>Authorized Cost Sharing</u>	<u>Proposed Cost Sharing</u>	<u>% of Total</u>
BWRe	\$ 405,000	\$ 445,000	96%
Sponsor	<u>16,000</u>	<u>17,000</u>	<u>4</u>
TOTAL	\$ 421,000	\$ 462,000	100%

The board's cost sharing amount equals funds available for the project from the Upper Sevier River Water Conservancy District (USRWCD), plus 85% of the remaining costs.

PURCHASE  
AGREEMENT:

The USRWCD amount, which is 75% of the project cost, will be returned to the board once a contract has been signed between USRWCD and the Department of Interior (via Central Utah Water Conservancy District, which will allocate the money through Section 206).

The authorized and proposed payments to the board are:

AUTHORIZED  
PAYMENTS

<u>Year</u>	<u>USRWCD Portion</u>	<u>Remaining Portion</u>	<u>Total</u>
2004	\$315,000	\$ 9,000	\$324,000
2005	-	9,000	9,000
2006	-	9,000	9,000
2007	-	9,000	9,000
2008	-	9,000	9,000
2009	-	9,000	9,000
2010	-	9,000	9,000
2011	-	9,000	9,000
2012	-	9,000	9,000
2013	-	9,000	9,000

PROPOSED  
PAYMENTS

<u>Year</u>	<u>USRWCD Portion</u>	<u>Remaining Portion</u>	<u>Total</u>
2004	\$346,000	\$ 9,000	\$355,000
2005	-	9,000	9,000
2006	-	9,000	9,000
2007	-	9,000	9,000
2008	-	9,000	9,000
2009	-	9,000	9,000
2010	-	9,000	9,000
2011	-	9,000	9,000
2012	-	9,000	9,000
2013	-	9,000	9,000
2014	-	9,000	9,000

The \$9,000 payments will be at 0% interest.

STAFF  
COMMENTS:

The Department of Interior will not review the project and its cost estimate until mid-August; it is unknown how long after that the contract with USRWCD will be signed and the \$346,000 made available.

BOARD OF WATER RESOURCES

Committal of Funds

Conservation and Development Fund

Appl. No.: **L-540**  
Received: 2/6/01  
Approved: 3/8/01  
Authorized: 8/10/01

To be Presented at the August 9, 2002 Board Meeting

SPONSOR: **PRICE CITY**

Mayor: Louie Colosimo  
185 E. Main Street  
Price, UT 84501  
Phone: (435) 637-5010

LOCATION: The project extends from Price City to about 12 miles up the Price River Valley in Carbon County.

PROJECT SUMMARY: The city is requesting financial assistance from the board to replace 12 miles of old 12 and 16-inch diameter culinary water transmission pipe with a 20-inch high pressure pipeline. The pipeline will run from a treatment plant in Price Canyon to the distribution network in town.

COST ESTIMATE & SHARING: The project is under construction and will cost less than authorized due to the low bid received. The authorized and proposed cost sharing are:

<u>Agency</u>	<u>Authorized Cost Sharing</u>	<u>% of Total</u>	<u>Proposed Cost Sharing</u>	<u>% of Total</u>
BWRe	\$ 3,750,000	38%	\$ 2,885,000	35%
CIB (Loan)	2,500,000	25	2,500,000	30
DWB (Grant)	275,000	2	210,000	2
DWB (Loan)	2,475,000	25	1,900,000	23
Sponsor	<u>1,000,000</u>	<u>10</u>	<u>837,000</u>	<u>10</u>
TOTAL	\$10,000,000	100%	\$ 8,332,000	100%

REPAYMENT:

The authorized repayment terms require the bonded indebtedness of \$3,750,000 to be repaid in 25 years at 1.5% interest with annual payments of approximately \$181,000, which does not include reserves. Reserves were to be accumulated in the amount of \$181,000 when the first annual payment to the board was due. If the board commits funds to the project, it is proposed the bonded indebtedness of \$2,885,000 be repaid in 25 years at 1.5% interest with annual payments of approximately \$140,000, which does not include reserves. Reserves will be accumulated in the amount of \$140,000 when the first payment to the board is due.

BOARD OF WATER RESOURCES  
Committal of Funds  
Revolving Construction Fund

Appl. No.: **E-073**  
Received: 3/5/02  
Approved: 3/14/02  
Authorized: 6/14/02

To be Presented at the August 9, 2002 Board Meeting

SPONSOR: **BRADY DITCH IRRIGATION COMPANY**

President: Clyde F. Mortensen  
P.O. Box 418  
Fairview, UT 84629  
Phone: (435) 427-3353

LOCATION: The proposed project is located about two miles north of Fairview in Sanpete County.

PROJECT SUMMARY: The sponsor is requesting financial assistance from the board to replace a 35 year-old, 3,200 foot-long concrete-lined irrigation ditch with 18-inch PVC pipe, construct an inlet structure, install a measuring flume and four turnouts, and remove two old regulation ponds.

COST ESTIMATE & SHARING: The proposed cost estimate and sharing remain the same as authorized:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$ 60,000	75%
Sponsor	<u>20,000</u>	<u>25</u>
TOTAL	\$ 80,000	100%

PURCHASE AGREEMENT: If the board commits funds to the project, it is proposed the purchase agreement remain as authorized: the sponsor will purchase the project with annual payments of \$4,000 at 0% interest over approximately 15 years.

BOARD OF WATER RESOURCES

Special Item

Application Summary, Feasibility Report and Committal of Funds

Cities Water Loan Fund

Appl. No.: **E-081**

Received: 6/7/02

To be Presented at the August 9, 2002 Board Meeting

SPONSOR: **METROPOLITAN WATER DISTRICT OF PLEASANT GROVE CITY**

Chairman: Guy Fugal  
590 West 1100 North  
Pleasant Grove, UT 84062  
Phone: (801) 785-6169

LOCATION: Pleasant Grove City is located about six miles north of Provo in Utah County.

SUMMARY: The district provides water to Pleasant Grove City, and is facing a major challenge in providing enough for the rapidly growing population. The district is purchasing about 650 acre-feet composed of shares of irrigation company stock and water owned by individuals. Although the water will be used initially in both the municipal water system and in the city's secondary system (which serves large institutional and commercial users in the city, and a limited number of residents along pipeline routes), district officials believe that over time most of the water will be used in the municipal system.

The district's cost for the water will be paid from the proceeds of the sale of bonds. Utah Water Finance Agency is the district's fiscal agent. The district sold bonds and obtained almost \$2.3 million, and is requesting the board pay costs associated with bond insurance.

COST: The cost of the water was \$2.27 million. The district is requesting the board provide a grant of \$12,000 to buy bond insurance. The insurance will reduce the interest rate from about 5.25% to near 4.75%, and save the district approximately \$75,000 in interest payments over the bond's 12-year repayment period.

ECONOMIC  
FEASIBILITY: The benefit/cost ratio is assumed to be 1.0.

BOARD OF WATER RESOURCES

Special Item

Application Summary, Feasibility Report and Committal of Funds

Cities Water Loan Fund

Appl. No.: **E-085**  
Received: 6/27/02

To be Presented at the August 9, 2002 Board Meeting

SPONSOR: **ROY WATER CONSERVANCY SUBDISTRICT**

Chairman: Carlos J. Larsen  
5440 South 1700 West  
P.O. Box 231  
Roy, UT 84067  
Phone: (801) 825-9744

LOCATION: Roy City is located about 30 miles north of Salt Lake City in Davis County.

SUMMARY: The subdistrict provides secondary lawn and garden irrigation water to 8,700 connections within and adjacent to Roy. To meet increasing demands, the subdistrict is planning a three-phase multi-year expansion and development project. The major items will be a 46 acre-foot storage reservoir, transmission and distribution pipelines to serve new connections, reequipping and renovation of an existing well, and two pump stations. The total cost of the work is estimated to be more than \$4.5 million. The subdistrict's cost for the system will be paid from the proceeds of the sale of bonds. Utah Water Finance Agency is the subdistrict's fiscal agent. The subdistrict plans to sell bonds, and is requesting the board pay costs associated with bond insurance.

PROPOSED PROJECT: The proposed project is Phase I of the subdistrict's expansion plan and consists of the 46 acre-foot reservoir, which will be built next to the subdistrict's existing reservoir near the Hill Air Force Museum east of Roy.

COST: The estimated construction cost is about \$1.6 million. The subdistrict is requesting the board provide a grant of \$19,000 to buy bond insurance. The insurance will reduce the interest rate from about 5.5% to near 5.0%, and save the subdistrict approximately \$200,000 in interest payments over the bond's 25-year repayment period.

ECONOMIC FEASIBILITY: The benefit/cost ratio is assumed to be 1.0.





BOARD OF WATER RESOURCES

Special Item

Application Summary, Feasibility Report and Committal of Funds

Cities Water Loan Fund

Appl. No.: **E-086**  
Received: 7/22/02

To be Presented at the August 9, 2002 Board Meeting

SPONSOR: **CENTERVILLE CITY**

Mayor: Michael L. Deamer  
250 North Main  
Centerville, UT 84014  
Phone: (801) 295-3477

LOCATION: Centerville City is located about 10 miles north of Salt Lake City in Davis County.

SUMMARY: Centerville City provides culinary water to 4,288 connections. To meet increasing demands, the city is planning a multi-year expansion and development project whose major items will be culinary water pipelines, groundwater development and redevelopment, water storage, storm drainage pipeline, waterway improvements, and fluoridation facilities. In its June meeting the board authorized that \$4.3 million project and approved a loan of about \$1.1 million. To pay its share of the project cost, the city has sold bonds, and is requesting the board pay costs associated with bond insurance. Utah Water Finance Agency (UWFA) is the city's fiscal agent.

PROPOSED PROJECT: The city plans this year to construct a million gallon concrete storage tank, install culinary transmission, storm drain, and sub-drain pipelines, upgrade all pumping facilities to drinking water standards and to provide fluoridation capability, drill a new well, refurbish and redrill an old well, refurbish two other wells, and construct a storage and salt shed for the Public Works Department. The city has requested financing from UWFA for these projects and has started construction on the culinary transmission line and the storm drain line. Construction of the tank and drilling of the new well have also begun.

COST: The estimated construction cost is over \$3 million. The city is requesting the board provide a grant of \$16,000 to buy bond insurance. The insurance will reduce the interest rate from about 5.25% to near 4.75%, and save the city approximately \$125,000 in interest payments over the bond's 15-year repayment period.

ECONOMIC FEASIBILITY: The benefit/cost ratio is assumed to be 1.0.



BOARD OF WATER RESOURCES

Special Item

Contract Amendment

Appl. No.: **F-353**

To be Presented at the August 9, 2002 Board Meeting

SPONSOR: **KENT'S LAKE RESERVOIR COMPANY**

President: Robin Bradshaw  
P.O. Box 1051  
Beaver, UT 84713  
Phone: (435) 438-5195

LOCATION: The sponsor owns and operates several dams and reservoirs in canyons east of Beaver City in Beaver County.

SUMMARY: The sponsor has received funding from the board on several occasions to make repairs to Middle Kents Lake and Three Creeks dams, rebuild Upper Kents Lake dam, and perform required dam safety studies on Middle Kents and Three Creeks, which staff carried out for the sponsor.

An increase (from \$8,000 to \$17,000 in 2002) in annual payment to the board for the early 1990s Upper Kents dam repair and enlargement project was based on the Middle Kents and Three Creeks projects being paid off. Dam safety study expenses were added to the Middle Kents project balance, however, extending its repayment period a number of years. The result of this is an increase in the sponsor's total annual payment to the board of \$5,000 for the next two years.

SPONSOR'S REQUEST: The sponsor states its bylaws limit the amount that can be assessed and that 2002 payments as they now stand, plus annual operation and maintenance expenses, will exceed its revenue. It therefore requests the board adjust its annual payments.

STAFF RECOMMENDATION: Staff recommends payments to the board be adjusted to the same total amount (\$20,000) paid by the sponsor each of the last three years. To accomplish this, staff suggests the sponsor's contractual agreement with the board for the Three Creeks project (F353) be amended to require annual payments of \$3,000 beginning December 1, 2002. This will reduce the annual payment by \$5,000 and extend the repayment period four years, to 2008.

BOARD OF WATER RESOURCES

Application Summary

Appl. No. ***E-080***

Received: 6/7/02

SPONSOR: ***TOOELE COUNTY***

Commission Chair: Dennis L. Rockwell  
47 South Main  
Tooele, UT 84074  
Phone: (435) 843-3150

LOCATION: The proposed project is located about a mile  
southeast of Grantsville City in Tooele County.

PROPOSED PROJECT: The sponsor is requesting assistance to drill and  
equip a 16-inch well, and install about five miles of  
18-inch pipe, to deliver water for irrigation and  
dust control for the Tooele County Recreation  
Complex.

WATER RIGHTS: The sponsor has several underground water rights, and  
plans to purchase additional rights for the project.

COST ESTIMATE: \$1,500,000

BOARD OF WATER RESOURCES

Application Summary

Appl. No. **E-082**  
Received: 6/10/02

SPONSOR: **FERRON CANAL & RESERVOIR COMPANY**

President: Tracy F. Behling  
P.O. Box 256  
Ferron, UT 84523  
Phone: (435) 384-2990

LOCATION: One-half to one mile west of the Town of Clawson in Emery County.

PROPOSED PROJECT: The sponsor is requesting assistance from staff in investigating the feasibility of building an offstream dam and reservoir to store water used by agricultural and power producers.

WATER RIGHTS: The sponsor has numerous water user claims; it has not yet identified the right for a new reservoir.

BOARD OF WATER RESOURCES

Application Summary

Appl. No. **E-083**  
Received: 6/13/02

SPONSOR: **ROCK DAM IRRIGATION COMPANY**

President: Don Hardy  
16800 North 3000 East  
Moroni, UT 84646  
Phone: (435) 462-3695

LOCATION: The proposed project is located a mile south of  
Moroni in Sanpete County.

PROPOSED PROJECT: The sponsor is requesting assistance to bring some  
old irrigation wells back into production by  
replacing pumps and updating electrical equipment.

WATER RIGHTS: The sponsor's Cox Decree rights consist of a primary  
right of 18.17 cfs and a high water right of 41.57  
cfs.

COST ESTIMATE: \$50,000

BOARD OF WATER RESOURCES

Application Summary

Appl. No. **E-084**

Received: 7/1/02

SPONSOR: **WHITEROCKS IRRIGATION COMPANY**

President: Jim Huber  
P.O. Box 55  
Lapoint, UT 84039  
Phone: (435) 247-2446

LOCATION: The proposed project is located about four miles north of Lapoint, which is about 15 miles west of Vernal in Uintah County.

PROPOSED PROJECT: The sponsor is requesting assistance to construct a 55 foot-high earth dam to impound 2,200 acre-feet of agricultural water.

WATER RIGHTS: 43-3819 (a15951) is an approved application covering storage of up to 4,460 acre-feet of Whiterocks River water.

COST ESTIMATE: \$2,000,000



BOARD OF WATER RESOURCES

Application Summary

Appl. No. **E-087**  
Received: 7/25/02

SPONSOR: ***RICHLAND NONPROFIT WATER COMPANY***

President: Robert H. Wood  
136 East Center  
Laketown, UT 84038  
Phone: (435) 946-3350

LOCATION: The proposed project is located about a mile north of  
Laketown in Rich County.

PROPOSED PROJECT: The sponsor is requesting assistance to consolidate  
culinary water systems serving the south shore area  
of Bear Lake, and make improvements to provide fire  
protection and allow for growth.

COST ESTIMATE: \$1,000,000

BOARD OF WATER RESOURCES

Special Item

Flaming Gorge Water Right

Request for Extensions

To be Presented at the August 9, 2002 Board Meeting

SUMMARY: In making awards of Flaming Gorge water rights, the board established deadlines for two requirements which, if not met by recipients of the rights, could result in rights reverting back to the board. The two requirements are: 1) filing proof of use of the water (Proof), and 2) submitting a Water Management and Conservation Plan (WMCP).

Letters were sent to all recipients who had a July 1, 2002, deadline for either or both requirements. With one exception, all those who were sent letters replied by either submitting the required items or by requesting an extension. The exception is Pine Creek Irrigation Company, whose change application had been rejected by the State Engineer.

STAFF As allowed by the board's rules, staff recommends a  
RECOMMENDATION: two-year extension be given on the specified items to each of the following recipients:

<u>No.</u>	<u>Recipient</u>	<u>Item</u>
2A	Eastside High Ditch Irr. Co.	Proof & WMCP
18	Boulder Farmstead Water Co.	Proof
23	Garfield County School Dist.	WMCP
32	W W Water Co.	Proof
37	Gunnison Butte Mutual Irr. Co.	Proof & WMCP
39	Daggett County	WMCP

If the board grants the requested extensions, the above recipients, plus all others who have not yet completed the requirements (see attached summary), will have a deadline of July 1, 2004, or later, with the exception of No. 5, Western Water Association, which had previously lapsed, and No. 21, Pine Creek Irrigation Company, which will now be allowed to lapse. These lapses will make an additional 170 acre-feet of depletion available (in addition to the 1,486 acre-feet held by the Board).

**DIVISION OF WATER RESOURCES**

1594 West North Temple, Suite 310

Box 146201

Salt Lake City, Utah 84114-6201

**M E M O R A N D U M**

July 30, 2002

TO: Board of Water Resources

FROM: D. Larry Anderson

SUBJECT: San Juan Water Conservancy District Request

The San Juan Water Conservancy District has made a written request that the interest portion of its March, 2003, payment for Recapture Dam and Loyd's Lake be forgiven. The District wishes to use that money to assist water users in San Juan County in mitigating the impacts of this year's drought and making improvements to community water systems.

The District's total payment to the Board is about \$454,000, with the interest portion being approximately \$230,000. The District made a similar request in 1996, which the Board approved. Staff's principal concern with the current request is it appears to put the Board in the position of finding a creative way to provide grants, using money that is obligated for construction of water projects. The Board's funding programs are specifically structured so the Board can provide low and no-interest loans to water users who have special needs, and repayment terms can be structured so projects are affordable. San Juan water users needing help in constructing projects can apply to the Board now so projects can be presented, approved, and built to be in service by next spring.

Staff suggests the District consider raising its water rates so it can develop a contingency fund for meeting the needs of its members. Its annual payment to the Board consists primarily of money the District receives from taxes and an investment account. Water sales make up a small portion of the District's revenue.

Staff has requested the District provide a list of projects it anticipates funding, so the Board can have some assurance that all the money being requested is needed; the District has not provided the list.

BOARD OF WATER RESOURCES  
SEVIER RIVER BASIN TOUR  
June 13, 2002

Board members and selected staff boarded a bus on June 13, 2002, at 7:30 a.m. at the Days Inn in Richfield for a tour of a portion of the Sevier River Basin. Everyone received a tour booklet. Chairman Warren Peterson introduced everyone and welcomed them to his area.

Lloyd Austin had asked Dr. Wynn Walker, from Utah State University, to talk about the history of the Sevier River and water rights issues. Dr. Walker gave the history from the late 1850's when the early pioneers settled the area and built water development projects that were very primitive and failed many times. He explained the water rights on the river and said the first agreements were negotiations between the users up and down the river. The Cox Decree signed in 1936 was the final determination of all the water rights, and is still in use today.

After passing Koosharem Reservoir, Warren Peterson talked about the diagram of the Sevier River reservoirs. He said Otter Creek was the third largest reservoir on the river. He asked Ivan Cowley to talk about Otter Creek.

Mr. Cowley said the major rehabilitation project has been completed on the Otter Creek Dam. He thanked the Board for assisting the Otter Creek Reservoir and Irrigation Company with the work to upgrade the embankment, spillway and outlet works to meet the dam safety standards established by the Utah State Engineer. He also talked about the real time computer program that was installed which works very efficiently and allows everyone to look on the internet everyday to see where the water is. He said the river is divided fairly and everyone has to share in the shortage of water.

The group stopped at the Otter Creek Reservoir; and Kay Mar Willis, park manager, got on the bus and talked about the park. He explained it had been on the budget cutting block for the Division of Parks and Recreation. Everyone got off the bus and walked over to look at the dam and the outlet works that had been repaired. Jay Franson and Bill Leeftang talked about the construction work done at the dam.

After the bus left Otter Creek, Wynn Walker talked more about the water rights and use of return flows on the Sevier River. He said the Vermillion Dam was the diversion structure for the upper and lower Sevier River water users. Some of the Piute Reservoir water rights holders also own water rights in the Delta Deseret Irrigation Company.

The bus stopped at Piute Dam and Reservoir. Some of the Board members and staff got on a small bus and rode over to look at the dam to see where the repairs need to be made. Richard Noble and Bill Leeftang talked about the construction schedule and work for the Piute Dam Rehabilitation project that is scheduled to be completed in three phases.

The first phase would consist of constructing the internal drainage system. During the second phase the upstream embankment and outlet works improvements would be constructed. The third and final phase would include construction of the emergency spillway. Each phase is independent of the others and a delay between construction of the various phases would not affect the operation of the dam. The total estimated cost for the Piute Dam rehabilitation is \$7,800,000. The bid opening for the first phase is July 31, and they hope to have the reservoir drained so construction can begin by the end of August.

Richard Noble talked about some of the concerns of the Piute Reservoir and Irrigation Company stockholders. He said the reservoir provides benefits to the general public including recreation, regulation for the entire upper Sevier River and facilitates administration of the water rights. He also said the company feels it will lose about 12,000 acre-feet of water next year, which has a direct economic impact to the farmers of about \$1.8 million. Therefore, the company requests a 95% grant from the Board of Water Resources instead of 90% as recommended by the staff.

After the group left Piute Dam, Dr. Walker talked about the possibility of an exchange of water to avoid the 12,000 acre-foot loss when the Sevier Bridge Reservoir is drained next year for dam safety repairs. Mr. Noble said the real time data will also be available for Piute Dam.

As the bus drove through Monroe, Mr. Cowley pointed out some of the large sprinkling systems. The bus stopped in Austin while Dale Hamaker of Jalli Construction explained the laser land-leveling process he uses in the area to help the farmers increase their production and use their water more efficiently. On the way to Richfield, Mr. Cowley pointed out the center for the Sevier River Water Users telecommunications system. He said the system has been expanded to include automation on all major reservoirs on the Sevier River and on 15 major diversion structures. All of the real-time information is currently being displayed on the internet at [www.sevierriver.org](http://www.sevierriver.org).

The group stopped for lunch in Richfield at the Lion's Park. After lunch everyone boarded the bus to go to Sevier Bridge Reservoir. Mr. Peterson welcomed the people who joined the group for the afternoon tour. He pointed out the route of the Sevier River as it flows through the valley. He also pointed out the Vermillion Dam which regulates the upper and lower Sevier River. The Sevier River flows north towards Delta. He said the Piute Canal, which is 65 miles long, parallels the highway and ends at the high end of Yuba Lake.

Chairman Peterson explained the Redmond Irrigation Company's project while the bus drove through Redmond. He said the company wants to request authorization and committal of funds for the project at the Board meeting so the project can be used this summer. He encouraged everyone to read the insert in the tour booklet regarding the "Real Salt" company that is located in Redmond.

Steve Wilde said a list of the water projects in the Sevier River Basin funded by the Board of Water Resources was included in the tour booklet. He talked about the Dairy Dam project funded for the Gunnison Irrigation Company as the bus drove by Centerfield. He said the

counties in the Sevier River Basin have received a lot of funding from the Board of Water Resources throughout the years.

Reed Searle, General Manager of the Intermountain Power Agency (IPA), talked about the importance of the Sevier River to IPA. He explained the process for getting steam at the Intermountain Power Project (IPP) near Delta. He also explained how IPA acquired water shares in five different water companies in the area. He said IPA is a political subdivision of the state of Utah and was funded by 23 Utah cities that own the power project. They could not use all of the power generated so they partnered with municipalities in California and Nevada.

Mr. Searle described some of the problems with the proposed development of a third unit of the IPP. He explained IPA's concerns about draining Sevier Bridge Reservoir to make dam safety improvements. He said they may have to enter into operation agreements with some farmers to de-water their farms.

When the bus stopped at Yuba Lake State Park, everyone got off the bus and looked at the Sevier Bridge Reservoir, which is owned by stockholders of the Consolidated Sevier Bridge Company. Clyde Bunker talked about some of the frustrations of the farmers and said the water users are paid nothing for the use of the facilities. Mr. Bunker introduced Mike Collins, who is the engineer for the dam remediation project.

Mr. Collins said the Sevier Bridge Reservoir was the first largest non-federal government reservoir built in the state of Utah. The dam is an earthfill structure with a crest length of about 1,300 feet, and the reservoir has an estimated storage capacity of about 236,000 acre-feet. He explained the recommended improvements to the dam and outlet works to meet the dam safety requirements. He said the first phase of the project is to install guard gates on the upstream end of the low-level outlet and to correct a liquifaction problem if it is determined one exists. He said the dam owners would like to upgrade the regulatory gates and possibly line the unlined outlet tunnel when the dam is dewatered to install the guard gates. Mr. Collins recommended the company should replace the spillway, construct an embankment on the north end of the dam, and remove and replace the existing bridge with a larger structure.

After some of the group walked down to look at the existing spillway, everyone got on the bus and listened to Bill Leeftang explain the technical aspects of the dam safety program. Dennis Strong also talked about the funding for the dam safety program.

Warren Peterson thanked Representatives Brad Johnson and Mike Styler for being on the tour and listening to the funding concerns of the Board members and project sponsors. While the bus returned to Richfield, Mr. Peterson showed a video of the damages of the 1983 floods.

The bus arrived at the motel in Richfield about 5:00 p.m.

Attendees  
Board of Water Resources Tour  
Sevier River Basin  
June 13, 2002

Board Members

Warren Peterson  
Paul and Dorothy Riley  
Lucille and Richard Taylor  
Ivan and Marlene Flint  
Harold and Diane Shirley  
Brad Hancock

Staff Members

Larry Anderson  
Dennis Strong  
Lloyd Austin  
Steve Wilde  
Bill Leeftang  
Craig Miller  
Nancy Fullmer  
Randy Staker  
Geralee Murdock  
Ron King

Visitors

Sherm and Marsha Hoskins, Department of Natural Resources  
Jerry Olds, Division of Water Rights  
Kirk Forbush, Division of Water Rights  
Kurt Sorenson, Piute Reservoir & Irrigation Company  
Russell Anderson, Piute Reservoir & Irrigation Company  
Russell Christensen, Piute Reservoir & Irrigation Company  
Ivan Cowley, Otter Creek Reservoir and Irrigation Company  
Wynn Walker, Utah State University  
Richard Noble, Franson & Noble Associates  
Jay Franson, Franson & Noble Associates  
Clyde Bunker, Consolidated Sevier Bridge Company  
Reed Searle, Intermountain Power Agency  
Dean Anderson, Sevier Water Users  
Representative Brad Johnson, Utah State Legislature  
Representative Michael Styler, Utah State Legislature  
Mike Collins, Bowen, Collins & Associates

*Unapproved*  
MINUTES

BOARD OF WATER RESOURCES  
BRIEFING MEETING

June 14, 2002

Days Inn  
333 North Main  
Richfield, Utah



## BOARD OF WATER RESOURCES

Briefing Meeting  
June 14, 2002

The board of Water Resources held a briefing meeting and breakfast on June 14, 2002 at 7:00 a.m. in the restaurant at the Days Inn Motel, 333 North Main, Richfield, Utah.

The following people were in attendance:

### BOARD MEMBERS

Warren Peterson  
Paul Riley  
Ivan Flint  
Brad Hancock  
Lucille Taylor  
Cleal Bradford  
Harold Shirley  
Bill Marcovecchio was absent

### STAFF MEMBERS

Larry Anderson  
Dennis Strong  
Lloyd Austin  
Nancy Fullmer  
Steve Wilde

### VISITORS

Sherm Hoskins

Chairman Warren Peterson welcomed everyone to the meeting.

### Discussion of Projects

The Board members questioned the financial feasibility and repayment ability of Randy Nelson to repay the loan for the proposed project being sponsored by the Gunnison Butte Mutual Irrigation Company. Director Anderson said the company was organized several years ago by about a dozen farmers for the express purpose of obtaining Flaming Gorge water rights from the Board of Water Resources. Shareholders other than Mr. Nelson are reluctant to back the proposed project if they are to be held financially responsible for payment if he defaults. Mr. Nelson told staff he is willing to form a non-profit irrigation company of his own if that would enable him to obtain funding for the project. Steve Wilde said if the Board approves the project, other shareholders in the company will probably request funding from the board for their individual projects. After considerable discussion, Cleal Bradford suggested the Board members tour the project area during the September Board tour to Southeastern Utah.

Warren Peterson said he had a conflict of interest with the Brady Ditch Irrigation Company. The company is requesting funding for a project in Sanpete County to replace a concrete-lined ditch with PVC pipeline. Staff suggested if the Board authorizes the project, it be purchased with annual payments of \$6,000 at 0% interest over approximately 10 years. The sponsor requests annual payments of \$4,000 at 0% interest over approximately 15 years.

The Board members had considerable discussion about the low water rates currently being charged by Centerville City. They also questioned why the cost per connection with the proposed project was below the Board's water service affordability guidelines.

Steve Wilde said the proposed project for the Redmond Lake Irrigation Company was a continuation of a project built in 1994 with financial assistance from the Board to replace a portion of its main canal with polyethylene pipe. The company wants to install a pump with an electric motor to deliver required flows from Redmond Lake into the existing pipeline. The company has completed most of the Sponsor's Responsibilities outlined in the feasibility report and is therefore requesting authorization and committal of funds. The sponsor wants to complete construction as soon as possible so the project can be used this summer.

After reviewing the dam safety report for the Piute Reservoir and Irrigation Company, there was a discussion about increasing the cost sharing percentage from the Board as requested by the sponsor during the tour of the project. The Board members also discussed the guidelines for recommendations for dam safety funding.

The feasibility report for the East Bench Irrigation Company's proposed project was handed out to the Board members. Steve Wilde said the project was placed on the agenda but the report was not written in time to be put in the Board folder. Harold Shirley said the project would use funds being requested by the Upper Sevier River Water Conservancy District from the Central Utah Water Conservancy District through Section 206 funds. The company would repay \$315,000 as soon as the CUP funds are allocated to the district. Dennis Strong said staff received a telephone call from the sponsor requesting engineering assistance from division staff

and funding from the Board for a drought relief project. The sponsor provides flood irrigation water through the East Bench Ditch, which is losing about 75% of its flow. The company would like funds to install a PVC pipeline adjacent to the ditch to carry the primary water right. Staff said the sponsor is not ready for committal of funds.

#### Other Items

Chairman Warren Peterson said he would like the minutes from the April 19 Board meeting to explain the reason he opposed the motion on the Sandy Canal Company's request to release a portion of the company's water rights and prepay a portion of its loan to the Board. He opposed the motion because the shareholder who triggered the whole process was excused from paying future assessments.

Lucille Taylor discussed the letter she requested staff to write to the Central Utah Water Conservancy District for Chairman Peterson to sign on behalf of the Board regarding support for getting CUP water to south Utah County and eastern Juab County. Dennis Strong recommended the Board not take an action at this meeting. Representatives will be invited to make a report at the August Board meeting.

Chairman Peterson asked Cleal Bradford to continue serving on the Community Impact Board as the representative for the Board of Water Resources.

Chairman Peterson said he would like to continue the same format of holding the briefing meetings in the morning and the Board meetings in the afternoon when the meetings are held in Salt Lake City.

Cleal Bradford mentioned a letter the San Juan Water Conservancy District sent to him requesting the Board allow them to use this year's repayment for small water projects in small communities in their area as they did during the drought four years ago. He said this year's drought is worse than four years ago and without the Board's help at that time some of the communities would have run out of water without the projects they constructed. Director Anderson said he received the letter but he has asked staff to gather additional information before staff makes a recommendation to the Board. He said the Board might get a number of similar requests to delay repayments. He cautioned the Board to be extremely careful since the repayment money may already be committed to other water projects.

Mr. Bradford asked if the Board members would be interested in having an evening activity in the canyon when they are in Blanding for the September Board tour. Everyone said they would. Nancy Fullmer informed the Board members in order to hold the December Christmas Party at the Lion House, they would need to change the date of the meeting and party from December 13 to December 20. She also said she could try to find a different place for the party if they preferred. The Board members agreed to change the December Board meeting and party to December 20.

The meeting adjourned at 8:20 a.m.

*Unapproved*  
MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
June 14, 2002

Days Inn  
333 North Main  
Richfield, Utah

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## SUMMARY OF BOARD ACTIONS

1. The Minutes of the April 19, 2002 Board meeting was approved with suggested changes. page 1
2. The Gunnison Butte Mutual Irrigation Company project was tabled until the Board can tour the area in September. page 3
3. The Board authorized the Brady Ditch Company project in the amount of \$60,000 (75%) to be purchased at 0% with annual payments of \$4,000 over approximately 15 years. page 4
4. The Centerville City project was authorized in the amount of \$1.142 million (26%) to be repaid in 16 years at 3% interest beginning in 2005 with annual payments ranging from \$35,000 to \$233,000. page 4
5. The Board authorized and committed funds to the Redmond Lake Irrigation Company in the amount of \$61,000 (85%) to be purchased over approximately 14 years at 0% interest with annual payments of \$3,000 through 2014 and \$14,000 thereafter. page 5
6. The East Bench Irrigation Company project in the amount of \$405,000 (96%) to be repaid from the Revolving Construction Fund at 0% interest over ten years with escalated repayments. The motion is conditioned upon the confirmation of funds being received from the CUPCA 206 program. page 6
7. The Board withdrew the Ivins City project from further consideration. page 6
8. The Piute Reservoir and Irrigation Company received a dam safety grant in the amount of \$3.752 million (95%) and a loan of \$197,500 (5%) to be repaid at 0% interest over approximately 20 years with annual payments of \$10,000. page 7

## THOSE PRESENT

The Utah BOARD OF WATER RESOURCES met in regular session on Friday, June 14, 2002 at the Days Inn, 333 North Main, Richfield, Utah, at 8:30 a.m.

### BOARD MEMBERS PRESENT:

Warren Peterson  
Paul Riley  
Lucille Taylor  
Harold Shirley  
Ivan Flint  
Cleal Bradford  
Brad Hancock  
Bill Marcovecchio was absent

### STAFF MEMBERS PRESENT:

D. Larry Anderson, Director  
Dennis Strong, Deputy Director  
Lloyd Austin, Asst. Director  
Nancy Fullmer, Administrative Secretary  
Randy Staker, Accountant  
Ron King, Public Affairs Officer  
Steve Wilde, Chief, Investigations  
Craig Miller, Sr. Engineer  
Tom Cox, Engineer  
Geralee Murdock, Executive Secretary

### OTHERS PRESENT:

Harold Brown, Retired Division of Water Resources Engineer  
Sherm Hoskins, Deputy Director, Department of Natural Resources  
Marie Maxwell, Water Rights Counsel, Stewart Water Information  
Charles (Chuck) Jeffs, Manager, Rural Water Association of Utah  
  
Lee Thayn, President, Gunnison Butte Irrigation Co.  
Randy Nelson, Gunnison Butte Irrigation Co.  
Kent Nelson, Gunnison Butte Irrigation Co.  
Grant Hanson, Engineer, Harward Irrigation

OTHERS PRESENT CONT'D:

Clyde Mortensen, President, Brady Ditch Irrigation Co.  
Dan Brinkerhoff, Brady Ditch Irrigation Co.  
Darlene Mortensen, Brady Ditch Irrigation Co.  
Ruth Brinkerhoff, Brady Ditch Irrigation Co.

Frederic T. Campbell, Engineer, Centerville City  
Blaine Lutz, Finance Director, Centerville City  
Jason Burningham, Financial Advisor, Lewis Young Robertson & Burningham, Inc.

Keith M. Hampton, President, Redmond Lake Irrigation Co.  
Kelly Johnson, Secretary, Redmond Lake Irrigation Co.  
John Huntamer, Area Engineer, USDA-NRCS

John Reich, East Bench Irrigation Co.  
Steele Henrie, Treasurer, East Bench Irrigation Co.  
Tracy Henrie, Board member, East Bench Irrigation Co.  
Juliann Henrie, East Bench Irrigation Co.  
Chris Fullmer, President, Upper Sevier River Conservancy District

Kurt N. Sorensen, President, Piute Reservoir and Irrigation Co.  
Russell W. Anderson, Secretary-Treasurer, Piute Reservoir and Irrigation Co.  
Russel Christensen, Director, Piute Reservoir and Irrigation Co.  
Ken Chamberlain, Attorney, Piute Reservoir and Irrigation Co.  
Richard Noble, Franson-Noble Engineering



MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
June 14, 2002

Chair Warren Peterson opened the meeting and thanked Lucille Taylor for her two years of service and presented her with the gavel she had used the past two years, and said everyone had profited by her service as chair. Mrs. Taylor expressed thanks for the gavel and said it was her pleasure to serve. Chair Peterson introduced Sherm Hoskins, Deputy Director of the Department of Natural Resources, also Harold Brown, retired employee of the Division of Water Resources, and Chuck Jeffs of the Rural Water Users Association.

APPROVAL OF THE MINUTES

Lucille Taylor made the motion to approve the minutes of the April 19, 2002 meeting with minor changes. Cleal Bradford seconded the motion and the Board agreed.

CHAIR'S REPORT

Chair Peterson said water funding in Utah has been a public priority since statehood and before. Our communities are built around water systems that are true community efforts. With the budget shortfall there is a move afoot to remove tax supported funding for water development, and he urged water users to take action; citizen board members can speak out. Mr. Peterson said he has asked to meet with the Governor's Chief of Staff for the purpose of encouraging the Governor's Office to allow our citizen board to participate as policy that impacts water funding is developed. Cleal Bradford thanked Chair Peterson for taking the initiative.

REPORT ON UTAH LAKE SYSTEM SCOPING PROCESS

Dennis Strong stated the history of the Central Utah Project – Bonneville Unit, Utah Lake System (ULS). He said that following ULS scoping meetings in February the Central Utah Water Conservancy District is focusing on two basic delivery alternatives to get water to Salt Lake County and north Utah County: one would be to pipe water from the Diamond Fork pipeline to the Murdock diversion on the Provo River, the other would be a pipeline from Strawberry and a pumping facility to get water over Daniels to the Murdock diversion. To accomplish this Congress must amend the Central Utah Project Completion Act; a bill has been introduced in Congress to authorize the M&I project.

Mr. Strong said at the scoping meetings south Utah County cities and Juab County wanted to know why they had been left out of the project. They said they had been part of the district since it was organized and have paid taxes, and were promised water from the Bonneville Unit. They also disagreed with the population projection and M&I water needs shown for their areas. Mrs. Taylor said the Governor's Office of Planning and Budget has projected figures which are completely out of alignment with what is actually being built in the areas.

Mr. Strong said they'd like to invite representatives from Jordan Valley Water Conservancy District along with representatives from south Utah County communities, East Juab Water Conservancy District and Central Utah Water Conservancy District to attend the Board's August meeting and present a more detailed status report. Mrs. Taylor said this is a last ditch effort to get this water to southern Utah County. It's been many years in the expectation and many people have given their hearts and souls to the project. It is very upsetting to see it not materialize.

## FEASIBILITY REPORTS

### #E004 Gunnison Butte Mutual Irrigation Company

Chair Peterson introduced Lee Thayn, president; Randy Nelson and Kent Nelson. Tom Cox reported the Gunnison Butte Mutual Irrigation Company was organized to obtain Flaming Gorge Water Rights from the Board. They applied for enough irrigation water for 4,085 acres of new ground and supplemental water for 1,501 acres currently being irrigated. The Board awarded 24,825 acre-feet to the sponsor.

Some individual shareholders are ready to begin utilizing Flaming Gorge water on their farms through upgraded, existing systems, while others are planning to install new systems themselves. Randy Nelson has approximately 440 acres of private land and about 1,100 acres of SITLA land used for grazing but suitable for cultivation about two miles from the Green River. He, with his son, proposes to irrigate the acreage and run a rotational grazing operation. In addition, they plan to grow about 125 acres of lawn turf. Since the Nelsons' proposed operation is the sole beneficiary of the project, the remaining shareholders are reluctant to back the project if they would be held responsible for payments if it defaults.

The Nelsons are requesting financial assistance to install a pumped pressurized irrigation system to serve approximately 1,540 acres of new ground. This will include a pump station on the Green River, about 10 miles of 30-8 inch PVC pipe, a booster pumping station, and a large holding pond. The system will serve Mr. Nelson's operation and be installed over five years or so as he has ability to cultivate additional acreage. Technical assistance to date has been provided by Harward Irrigation. The cost is estimated at \$1.475 million. The Nelsons are also seeking federal and commercial loans to purchase sprinklers and farm equipment.

Crop budgets showing on-farm costs and commodity prices were compiled by the Nelsons with assistance from agricultural economists at Utah State University. These budgets were reviewed by staff and found to be reasonable. When all project-related costs and benefits are discounted to present worth over the 50-year useful project life, the benefit/cost ratio is 2.3.

Mr. Nelson will need to ensure the change application approved by the State Engineer includes his proposed diversion, all project farm ground (including SITLA land), stockwatering rights, and storage rights if he intends to hold water for a year-round cattle operation.

Mr. Wilde said the Nelsons are proposing a very ambitious project and taking on nearly \$2.5 million in debt. It appears the project will pay for itself, however it will operate in the red for the first several years; he said projects having few stockholders or one stockholder holding the majority of the company stock pose an additional risk to the Board. The value of the water rights normally taken by the Board are used as collateral; in the case of Gunnison Butte this value can be questioned since the project water rights were granted by the Board. If the Board authorizes the project, it may want to consider increasing its security by requiring the Nelsons to become personally responsible by mortgaging their personal assets.

Mr. Thayne, company president, said all of the company's projects are individual. He said the Gunnison Butte Irrigation Company board supports Mr. Nelson in doing whatever he has to try to make the project work.

Mr. Nelson explained the proposed project and the benefit it would be to the entire area. After considerable discussion, Cleal Bradford said there were concerns that needed to be addressed further. He also said the Board would be taking a tour in the Green River area in September and made the motion to table the Gunnison Butte Mutual Irrigation Company project until the Board can tour the project. Harold Shirley seconded the motion and the Board agreed.

Kent Nelson, Randy Nelson's son, said he realized the project was ambitious, but he said if the project goes, this is what he will do the rest of his life, and he will do everything he can to make the project work.

#### #E073 Brady Ditch Irrigation Company

Chair Peterson recognized Clyde Mortensen, president; Darlene Mortensen, Dan Brinkerhoff, board member; and Ruth Brinkerhoff. Steve Wilde reported the proposed project is located about two miles north of Fairview in Sanpete County. The company is requesting financial assistance to replace a deteriorated concrete-lined ditch with 18-inch PVC pipe, and remove two regulating ponds. Design and construction engineering will be provided by Scott McAllister. The project is estimated to cost \$80,000. Staff is suggesting the annual payments be \$6,000 at 0% interest over approximately 10 years. The company has an alternate request that annual payments be fixed at \$4,000 at 0% interest over approximately 15 years.

The company received financial assistance from the Board in 1968 to install about 3,600 feet of concrete pipe and 14,200 feet of concrete ditch lining. The project has been paid off.

Mr. Mortensen said the ditch is in terrible shape and is beyond repair. Over the last four or five years the company has been able to repair 1000 feet at a time and pay for it through the company's assessment. The share assessment this past year was raised from \$10 to \$15, and the company is therefore requesting the 15 year repayment period at a lower annual repayment.

Paul Riley made the motion to authorize the Brady Ditch Company project in the amount of \$60,000 (75%) to be purchased at 0% with annual payments of \$4,000 over approximately 15 years. Ivan Flint seconded the motion. The Board agreed. Lucille Taylor opposed the motion.

#### #L544 Centerville City

Chair Peterson introduced Blaine Lutz, Jason Burningham, and Frederic T. Campbell. Steve Wilde reported Centerville City currently supplies culinary water to 4,288 connections. Approximately 80% of the connections are connected to a pressurized secondary irrigation system, the culinary system provides water primarily for indoor use. The culinary system is subdivided into north and south systems. The north area is short of water and the city is trying to move water from the south system into the north system, which will require additional storage and booster pumps.

The city has a plan to upgrade and make improvements to both the culinary water and drainage systems through 2008, and has requested financing from the Utah Water Finance Agency to do this. Construction on the culinary transmission line and storm drain line has started along with construction of the tank and drilling of a new well.

The city is requesting financial assistance from the Board for projects to be constructed in 2003 and 2004; they include pumping equipment and a building for the new well that will be drilled this year, installation of culinary water transmission lines and sub-drain lines with connections to approximately 120 residences, construction of a booster pumping station, providing stream channel improvements for Parrish and Deuel Creeks, and installation of a box culvert on Parrish Creek. ESI Engineering will provide design and construction engineering services. The cost of the project is estimated at \$4.348 million. They are requesting 26% from the Board of Water Resources or \$1.142 million.

The cost per connection per month is estimated at \$37.64, which is below the Board's water service affordability guideline stating Centerville City's residents could pay up to \$56.26 per month for all water service. The amount is considered acceptable since the city will continue to make improvements over the next seven years.

Centerville City has received financial assistance from the Board in the past, and both loans have been paid off. Jason Burningham said the bonds they are proposing through the Board of Water Resources will be issued on parity with the Utah Water Finance Agency and will equally be secured by the revenues of the water system as well as the storm drainage system. There are also some subdrainage fees.

After further discussion, Ivan Flint made the motion to authorize the Centerville City project in the amount of \$1.142 million (26%) to be repaid in 16 years at 3% interest beginning in 2005 with annual payments ranging from about \$35,000 to \$233,000. Cleal Bradford seconded the motion and it was agreed upon by the Board.

#### SPECIAL ITEMS

#### #E072 Redmond Lake Irrigation Co.

Chair Peterson introduced Keith Hampton, president; Kelly Johnson, secretary, and John Huntamer, engineer. Steve Wilde reported the company provides flood irrigation to about 1200

acres of farmland and 50 acres of lawns and gardens north of and throughout the town of Redmond. In 1994 the company replaced about 6,300 feet of its main canal with polyethylene pipe. The pipeline was designed to deliver 15.4 cfs at an average minimum lake elevation of 5108; since installation the company has stated it has received significantly less than that.

When the pipeline was first used, a large amount of gravel entered it; a video camera showed deposits 6-8 inches deep. In addition, there appeared to be clay deposits and/or other glutinous substance in the pipe. These deposits have reduced the effective area of the pipe and appear to be getting larger with time. A lack of sufficient air vents add to the problem, and the lake occasionally drops below the average minimum design level of 5108.

The company is requesting financial assistance to install a close-coupled vertical turbine pump, with electric motor, to deliver required flows from Redmond Lake into the existing polyethylene pipeline. The project is anticipated to be used most years only in mid-late summer and includes an inlet structure to the existing pipeline, conveyance pipe between inlet and pump, and appurtenances. Additional air vents on the existing pipeline will likely be provided by the NRCS, who will also provide design and construction engineering services. The project is estimated to cost \$72,000.

The company received \$217,000 from the Board in 1994 to help replace about 6,300 feet of its main canal with 28-to 32-inch polyethylene pipe. Annual payments of \$11,000 are being made to the Board through 2014 for that project.

Mr. Hampton explained the problems the company has been experiencing, and said the company would like to complete the project as soon as possible so it can be used this summer. Harold Shirley made the motion to authorize and commit funds in the amount of \$61,000 (85%) to be purchased over approximately 14 years at 0% interest with annual payments of \$3,000 through 2014 and \$14,000 thereafter. Cleal Bradford seconded the motion and it was agreed upon by the Board.

#### #E079 East Bench Irrigation Company

Chair Peterson introduced Tracy Henrie, Steele Henrie, Juliann Henrie, Chris Fullmer and John Reich. Steve Wilde reported the company provides flood irrigation water to 12 farms totaling about 750 acres northeast of Panguitch. Water is delivered in the 15 cfs capacity East Bench Ditch which measurements show loses up to 75% of its water to seepage in certain gravelly areas.

The company is requesting financial assistance to install 16,000 feet of 24-inch PVC pipeline adjacent to the East Bench Ditch, to carry the primary water right of 8.65 cfs. The project will also include an intake structure and ten turnouts. The project is estimated to cost \$421,000.

The Natural Resources Conservation Service (NRCS) has done some preliminary engineering, but will not be able to do final design, plans and specifications in time to meet the

company's planned fall '02 construction schedule. Therefore, the company is requesting division staff provide final design and construction engineering services.

The company requests the Board provide financial assistance in an amount equal to funds available for the project from the Upper Sevier River Water Conservancy District (USRWCD). The USRWCD amount is 75% of the project cost or \$315,000 which will be returned to the Board as soon as Central Utah Water Conservancy District allocates it through Section 206. Of the remaining \$106,000 in project costs, the company's 85% request from the Board equals \$90,000; staff suggests it be returned to the Board with annual payments of \$9,000 at 0% interest over 10 years.

Mr. Wilde said the project would save up to an estimated 1600 acre-feet annually and reduce ditch maintenance. The company needs to become registered in good standing with the state Department of Commerce. Mr. Henrie questioned why they were not in good standing. Mr. Wilde said staff will work with the company to make sure it is current.

Lucille Taylor questioned the funds for the Upper Sevier River Water Conservancy District being received from the Central Utah Project Completion Act 206 funds. Chris Fullmer replied the district had made application for two projects, and had been assured verbally by the Central Utah WCD they would work with the district as they've never received any benefit from them in the past. Richard Noble said there was a difference between the CUPCA 206 and 207 funds. The 206 funds provide for funding of local projects to counties who will not receive any CUP water, and at present there are only three counties eligible for funding – Garfield, Piute, and Sanpete.

After further discussion, Harold Shirley made the motion to authorize the East Bench Irrigation Company project in the amount of \$405,000 (96%) to be repaid from the Revolving Construction Fund at 0% interest over ten years with escalated repayments. The motion is conditioned upon the confirmation of funds being received from the CUPCA 206 program. Ivan Flint seconded the motion, and it was agreed upon by the Board.

#### #L533 Ivins City

Harold Shirley made the motion to withdraw the Ivins City project from further consideration by the Board. Lucille Taylor seconded the motion and the Board agreed.

### DAM SAFETY CONSTRUCTION FUNDING

#### #C022 Piute Reservoir and Irrigation Company

Chair Peterson introduced Kurt Sorensen, president; Russel Christensen, Board of Directors; Russell Anderson, Secretary-treasurer; Richard Noble, engineer; and Ken Chamberlain, attorney. Steve Wilde reported Piute Dam was constructed in 1938. The company

is now requesting financial assistance to upgrade the dam to meet current state dam safety standards. The upstream slope of the dam is too steep and the spillway, outlet works, and internal drainage system are all inadequate. The work will be accomplished in 3 phases. Phase 1 will be to flatten the upstream slope, construct stability berm, and replace outlet gate; phase 2 will be to reconstruct the drainage system; and phase 3 will be to construct the emergency spillway. Technical assistance is being provided by Franson-Noble & Associates in American Fork.

Because phase 1 is the most crucial from a safety standpoint, and considering availability of funds, staff recommends the Board commit funds at this time for only the first phase plus final design for the entire project. The estimated cost of phase 1 will be \$3.95 million. Staff is recommending a 90% grant and a 10% loan.

Kurt Sorensen said they appreciated the Board and staff going on the tour to see Piute Dam and Reservoir and what is needed there. He said the company would like the same consideration as Otter Creek received (95% grant and 5% loan).

Paul Riley made the motion to give the Piute Dam and Reservoir Company a 95% grant (\$3.752 million) and a loan of 5% (\$197,500) to be repaid at 0% interest over approximately 20 years with annual payments of \$10,000. Harold Shirley seconded the motion and it was agreed upon by the Board.

Lucille Taylor expressed concern over the status of funds. Dennis Strong explained the process and tried to assure the Board of the availability of funds. Cleal Bradford expressed concern over what the Legislature might do concerning Water Resources funds. Director Anderson said the Legislature has appropriated money this coming year and we base our assumption that we'll receive what's already been approved for us. He said the reservoir is going to be drained this year, so it is fairly important the project be constructed because of hydrologic conditions, but if the Legislature changes its mind, the decision to grant the money will be reversed. It is important for staff to be able to tell the Legislature funds were committed to Piute and the reasons why.

Chair Peterson thanked Franson-Noble for hosting lunch during the tour on Thursday and also Piute Reservoir and Irrigation Company for co-hosting the wonderful meal the Board and staff enjoyed Thursday night.

## DIRECTOR'S REPORT

Director Anderson said the Flaming Gorge water rights were awarded with a reversionary clause that would return the rights to the Board if certain stipulations were not met. Applicants awarded water after the Board adopted a formal process require a "Proof of Change" be filed by July 1, 2004 for political subdivisions of the state, and by July 1, 2002 for all others. These awardees must also submit a "Water Management and Conservation Plan" by July 1, 2002.

Letters were sent by certified mail to the eligible recipients reminding them of the requirements and deadlines as appropriate. A list of the recipients showing deadlines and actions that need to be taken is included in the Board folder. If a response is not received by the deadline then staff will recommend at the August Board Meeting to rescind their rights.

A list of the division's critical issues for the next ten years was sent to Bob Morgan for the Utah Tomorrow Strategic Planning Committee; it is included in the Board folder.

Director Anderson said he received an interesting letter from nine different people, most of them were economists, the exceptions being Jay Bagley, retired engineering professor; and Zach Frankel. Director Anderson's response to the letter was included in the Board folder.

The obituary of Jay Bingham was included in the Board Folder. Mr. Bingham was the director of the Utah Water and Power Board that later became the Division of Water Resources. Mr. Bingham was the first executive director of the Department of Natural Resources. He was a consulting engineer and prominent in the water community. Eugene Johansen, former Board member, passed away, and also Norma Waddingham, wife of Thorpe Waddingham, a former senator from Delta and Warren's law partner passed away. Mr. Johansen and Mrs. Waddingham's obituaries were also included in the Board folder.

Chair Peterson expressed appreciation to the staff and especially Lloyd Austin and Craig Miller for their efforts in arranging the Thursday tour.

Meeting adjourned at 11:05 a.m.



*Approved*  
MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
April 19, 2002

Auditorium  
Department of Natural Resources Building  
1594 West North Temple  
Salt Lake City, Utah

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## SUMMARY OF BOARD ACTIONS

1. The Minutes of the March 14, 2002 Board meeting was approved with suggested changes. page 1
2. The Ephraim Irrigation Company project was authorized in the amount of \$1.155 million (47%) to be purchased in 25 years at 1% interest with escalated annual repayments, subject to availability of funds. page 2
3. The Board authorized the New Santa Clara Field Canal Co. project in the amount of \$930,000 (38%) to be purchased in 25 years at 3.5% interest with annual payments of approximately \$56,500, subject to availability of funds. page 3
4. The Porcupine Highline Canal Co. project was authorized in the amount of \$85,000 (85%) to be purchased with annual payments of \$6,000 at 0% interest over approximately 15 years, subject to availability of funds. page 4
5. The Board authorized the Johnson Water District project in the amount of \$659,000 (85%) to be repaid in 25 years at 1% interest with escalated annual payments subject to availability of funds. page 5
6. Funds were committed to the Scipio Irrigation Co. in the amount of \$570,000 (80%) to be purchased at 0% interest over approximately 14 years with annual payments of \$10,000 the first year, \$20,000 the second, and \$46,700 thereafter. page 5
7. The Board committed funds to the Wellsville-Mendon Conservation District in the amount of \$192,000 (80%) to be repaid with annual payments of \$22,000 at 3.2% interest over approximately 11 years. page 5
8. The Board authorized the signing of an interagency agreement between the Board of Water Resources and the Drinking Water Board to secure funding for the Draper Irrigation Company. page 6
9. The Sandy Canal Company will prepay the Board \$58,000 reducing the amount it owes to about \$254,800; the company's contract is to be amended to state the company will provide annual payments of \$15,600 at 0% interest through about 2018. page 6
10. The Board reauthorized the Hanna Water and Sewer District project in the amount of \$1.371 million (29.8%) at 0% to be repaid in 25 years with annual payments ranging from approximately \$50,000 to \$64,000, subject to availability of funds. Staff is to work out details to facilitate committal of funds. page 8
11. The Board elected Warren Peterson as Chairman and Paul Riley as Vice-chairman of the Board of Water Resources. page 8

## SUMMARY OF BOARD ACTIONS CONT'D.

12. The Board appointed Scott Ruppe, general manager of the Uintah Water Conservancy District, as advisor to the Upper Colorado River Commission and Jerry Olds, State Engineer, as advisor to both the Upper Colorado River Commission and the Bear River Commission. page 8

## THOSE PRESENT

The Utah BOARD OF WATER RESOURCES met in regular session on Friday, April 19, 2002 in the auditorium of the Department of Natural Resources Building, 1594 West North Temple, Salt Lake City, Utah.

### BOARD MEMBERS PRESENT:

Lucille Taylor  
Warren Peterson  
Bill Marcovecchio  
Brad Hancock  
Ivan Flint  
Cleal Bradford  
Harold Shirley  
Paul Riley was absent

### STAFF MEMBERS PRESENT:

D. Larry Anderson, Director  
Dennis Strong, Deputy Director  
Lloyd Austin, Asst. Director  
Nancy Fullmer, Administrative Secretary  
Randy Staker, Accountant  
Ron King, Public Affairs Officer  
Robert King, Chief, Interstate Streams  
Todd Adams, Chief, Hydrology and Computer Applications  
Steve Wilde, Chief, Investigations  
Boyd Phillips, Engineer  
Tom Cox, Engineer  
Russell Hadley, Engineer  
Gina Hirst, Engineer  
Jed Hansen, Engineer  
Geralee Murdock, Executive Secretary

### OTHERS PRESENT:

Bob Morgan, Executive Director, Department of Natural Resources  
Sherm Hoskins, Deputy Director, Department of Natural Resources  
Jerry Olds, State Engineer, Division of Water Rights  
Steve Allred, Fiscal Analyst, Legislative Fiscal Analyst  
Chris Hogge, Engineer, Weber Basin Water Conservancy District

OTHERS PRESENT CONT'D:

Douglas Olsen, President, Ephraim Irrigation Company  
Michael Larson, Vice-president, Ephraim Irrigation Company  
Craig Oberg, Board member, Ephraim Irrigation Company  
Steve Branchley, Associate Engineer, Nolte Associates  
Rod Mills, Mgn. Director, Nolte Associates

Gary L. Clawson, President, Porcupine Highline Canal Co.  
Phil Olsen, Board member, Porcupine Highline Canal Co.  
D. Chris Wight, Project Manager, Hansen & Associates

Jim Ence, President, New Santa Clara Field Canal Co.  
Brent Gardner, Engineer, Alpha Engineering

Bruce Dart, Chairman, Johnson Water District  
Bud Steffen, Trustee, Johnson Water District  
Lanny W. Ross, Service Manager, Johnson Water District  
Joseph N. Santos, Engineer, Epic Engineering

Lee Monroe, President, Scipio Irrigation Co.  
Ivan Robins, Board, Scipio Irrigation Co.

Michael Georgeson, Engineering Manager, Division of Drinking Water

John Mabey, Attorney, Sandy Canal Co.

Mac Reber, Chairman, Hanna Water & Sewer District  
Dixie Jones, Secretary, Hanna Water & Sewer District  
Rex V. Harrison, Horrocks Engineers, Hanna Water & Sewer District  
Alan Westenskow, Asst. Vice-president, Zions Bank Public Finance  
Bonnie Carrig, Rural Utilities Program Director, USDA Rural Development  
Ray Jones, Visitor, Hanna Water & Sewer District

MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
April 19, 2002

APPROVAL OF THE MINUTES

Cleal Bradford made the motion to approve the minutes of the March 14, 2002 Board meeting; Bill Marcovecchio seconded the motion. Warren Peterson suggested changes, agreed upon by Mr. Bradford and Mr. Marcovecchio. The Board approved the minutes with the suggested changes.

CHAIR'S REPORT

Chair Taylor introduced Bob Morgan, newly appointed Executive Director of the Department of Natural Resources. Mr. Morgan, former State Engineer, said he wanted to visit all the department boards to get more organized. He said 32 years ago he started working for the Board of Water Resources and said the faces have changed but the Board's abilities and things they do for the people of the state of Utah haven't. He said this Board has done an excellent job in assisting people in the state, and expressed appreciation for their efforts.

Chair Taylor introduced Jerry Olds, the new State Engineer. Mr. Olds said he had been working as State Engineer for about 2 ½ months and has learned a lot and still has a lot to learn. He said he planned on getting more involved with the Board so he would know the issues and problems the Board is facing, and is looking forward to a good working relationship with staff and the Board of Water Resources.

Chair Taylor said she had met with the directors of the Drinking Water Division, Water Quality Division, the Commissioner of Agriculture and Bob Morgan, DNR Executive Director. The Community Impact Board representatives were absent as they had a previous meeting scheduled. They met to discuss the effects of Senate Bill 200, which cut funding for water. Chair Taylor said they did not come up with a definite action, but plan to meet again in June. Warren Peterson told a story of when the DMAD Reservoir funding was approved by the Board of Water Resources in about 1956.

WATER SUPPLY REPORT

Randy Julander said the last couple of storms raised the overall snowpack in the north from 1% to as high as 5%. No precipitation was received the first half of April and April is typically a very wet month. He said almost all of the snow below Provo (southern Utah) will be melted by mid-April. Everywhere else it will melt between the mid to latter part of May. He said the streamflow will disappear soon after. Statewide reservoir storage will carry us through, however there is a significant amount of reservoirs that won't come close to filling.

## FEASIBILITY REPORTS

### #E061 Ephraim Irrigation Company

Chair Taylor introduced Douglas Olsen, president; Michael Larsen, Vice-president; Craig Oberg, board member; Steve Branchley, associate engineer, Nolte Associates; Rod Mills, Mg. Director, Nolte Associates. Tom Cox reported the irrigation company provides water to about 7700 acres of farm ground around Ephraim in Sanpete County. The supply drops off dramatically in July and is down 25% or less for the rest of the irrigation season due to seepage losses in open ditches and inefficient flood irrigation practices.

The company is requesting financial assistance to replace its remaining open ditch irrigation systems with gravity pressurized sprinkler irrigation. The cost of the project is estimated at \$2.475 million. The Board is requested to provide 47% of the cost or \$1.155 million; the Central Utah Water Conservancy District, through its Section 206 funding, will provide \$1 million worth of grants, and the company will provide the remaining \$320,000. Technical assistance is being provided by Nolte Associates in West Jordan.

Mr. Olsen said this project is needed as when they have high water there's only one place for the water to run - down hill. If it is put in the pipe system a whole meadow can be watered and not just a tiny narrow strip; this will also increase production. When this system is installed it will finish the pipe irrigation system.

Chair Taylor asked if the Central Utah Project Conservation Grant was secure. Mr. Larsen said yes, the contract is in the process of being written.

Mr. Peterson asked Mr. Marcovecchio to make the motion. Mr. Marcovecchio moved the Ephraim Irrigation Co. project be authorized in the amount of \$1.155 million (47%) to be purchased in 25 years at 1% interest with escalated annual repayments, subject to availability of funds. Cleal Bradford seconded the motion and the Board agreed. Warren Peterson abstained from voting.

### #E069 New Santa Clara Field Canal Co.

Chair Taylor introduced Jim Ence, president; and Brent Gardner, engineer, Alpha Engineering. Tom Cox reported the company delivers ditch irrigation water to about 80 residences and 300 acres of agricultural land. Water is released from Gunlock Reservoir into the Santa Clara River, where it is diverted into the company's ditch system. The company estimates about 60% of its water in the river and ditches is lost due to the inefficiencies of flood irrigation.

In 1996 the Board authorized a project for the Washington County Water Conservancy District (WCWCD) to pipe the Gunlock irrigation water for several entities including the New Santa Clara Field Canal Co. The project was to take water from Gunlock Reservoir to Ivins Reservoir and from Ivins Reservoir to Santa Clara and included a limited secondary system in



Santa Clara City. Ongoing water rights negotiations have recently been settled and the conservancy district wishes to proceed as soon as possible.

The company is requesting financial assistance from the Board to install the pipeline project with the exception of the Gunlock to Ivins Reservoir pipeline which will be installed under the direction of WCWCD. The project is estimated to cost \$2.440 million. They are requesting the Board provide 38% or \$930,000. The WCWCD will provide \$1.317 million, and the company \$193,000. The Board's share will include a 3.5% interest rate that is weighted between the board's guideline rates for agriculture and municipal projects of 3% and 5% respectively. The company has not received financial assistance from the Board in the past.

Under financial feasibility Santa Clara residents could pay around \$46 per month for all water and based on the 343 connections the cost of water with the project in place is expected to be around \$40 per connection per month of which secondary irrigation costs will total about \$180 per connection annually.

Mr. Ence complimented Tom on his feasibility report, and said they had a critical situation right now. Mr. Ence said the company would prefer a 1% interest rate instead of 3.5% as they anticipate other costs on their culinary site in the future. He said for years they had been trying to orchestrate the Shivwits water agreement on Santa Clara Creek; the agreement has been signed by all entities involved, but won't be complete until the federal funding is received. He said a pressurized system would need to be installed in order to water because the piping system will not carry enough water to irrigate with the open ditches. With the shortage of water this year the company would have liked to have this installed this year, however they hope to be under construction next winter.

Harold Shirley made the motion to authorize the New Santa Clara Field Canal Company project in the amount of \$930,000 (38%) to be purchased in 25 years at 3.5% interest with annual payments of approximately \$56,500, subject to availability of funds. Ivan Flint seconded the motion. Warren Peterson asked that the funding of the project be conditioned on making sure all projects are in place to get the water from Gunlock to Ivins, and all contracts are in place and binding on all participants. Harold Shirley and Ivan Flint accepted the recommendation. The Board agreed.

#### #E062 Porcupine Highline Canal Co.

Chair Taylor introduced Gary Clawson, Phil Olsen and Chris Wight. Gina Hirst reported the proposed project is located southeast of Paradise Town in Cache Valley. The company provides agricultural irrigation water (through 14 miles of canal and pipeline) from Porcupine Reservoir to 3,000 acres of land. About 800 feet of the canal traverses a steep and rocky hillside. The 50 cfs canal is a freestanding, rectangular concrete structure installed about 40 years ago and subject to damage from rocks impacting it after tumbling down the slope. Once this happens the freeze-thaw cycle continues to deteriorate the canal. The deterioration of the concrete channel leads to leaks, causing a major washout on the down slope side. The company is concerned about the safety aspect and the possibility of other failures.

The company is requesting financial assistance to replace the freestanding concrete section of canal with 48-inch pipe. The pipe will be placed upslope from the canal and the majority of the canal will be filled with compacted soil. The project is estimated to cost \$100,000. Hansen and Associates in Brigham City will provide design and construction engineering services.

The company has no water rights of its own; it receives water from Porcupine Reservoir Company. The reservoir company's water rights are currently in the name of the Board as security for past assistance.

Mr. Clawson said the canal is on a really steep incline and large rocks have come down and broken the lining; the canal could wash out and cause a disaster.

Cleal Bradford made the motion to authorize the Porcupine Highline Canal Company project in the amount of \$85,000 (85%) to be purchased with annual payments of \$6,000 at 0% interest over approximately 15 years, subject to availability of funds. Warren Peterson seconded the motion and the Board agreed.

#### #E070 Johnson Water District

Chair Taylor introduced Bruce Dart, chairman; Bud Steffen, trustee; Lanny Ross, service manager; and Joseph Santos, engineer. Russ Hadley reported the district supplies retail and culinary water to an area surrounding Myton and the communities of Ioka, Upalco and Bridgeland. The connections include 571 domestic, 27 dairies and feedyards, three oil wells, and a school. Water is supplied from a well, Starvation Reservoir, and a purchase agreement with Duchesne City and the East Duchesne Culinary Water Improvement District.

Because of low pressures at the higher homes in the system, current and projected growth, and large fluctuations in water demand, the sponsor sees the need to construct a new storage tank. The district is therefore, requesting financial assistance to improve its culinary system by constructing a 750,000 gallon storage tank and connecting it to the system. The project is estimated to cost \$775,000. Engineering is being done by Epic Engineering in Heber City.

Based on the Board's current water service affordability guidelines, the district's residential customers could pay up to \$26.52 monthly for all water. The cost of water with the proposed project, based on 602 current connections and an average annual growth rate of 1.05%, is \$61.31 per connection per month. The district is considering adjusting its rate schedule to help pay for the proposed project, but it has no firm plans yet; it would like to retain portions of its declining block rate schedule since it lends itself well to the numerous dairies. The district has not received assistance from the Board in the past.

Mr. Dart and Mr. Santos expressed appreciation to the Board for its consideration of their project. Mr. Dart said they were in dire need of better storage. At peak times in the summer,

there would probably be only three hours of water with the present storage. Mr. Santos said the water rates will increase about \$2.58 per connection; it's not over substantial, the dairies, oil industry and homeowners can make it happen.

Chair Taylor said it would be wise for the district to look at different kinds of rate schedules that would be fair to the small homeowner, and industry would create the needed economic benefits. Mr. Dart said they had a set schedule for industrial users that was a much higher rate than the average person pays.

Brad Hancock made the motion, seconded by Bill Marcovecchio to authorize the Johnson Water District project in the amount of \$659,000 (85%) to be repaid in 25 years at 1% interest with escalated annual payments, subject to availability of funds. The Board agreed.

## COMMITTAL OF FUNDS

### #E049 Scipio Irrigation Co.

Chair Taylor introduced Lee Monroe and Ivan Robins. Steve Wilde reported the company is requesting financial assistance to install a pressurized sprinkle irrigation system to serve about 1,200 agricultural acres. The project is estimated to cost \$710,000. Warren Peterson made the motion to commit funds to the Scipio Irrigation Co. in the amount of \$570,000 (80%) to be purchased at 0% interest over approximately 14 years with annual payments of \$10,000 the first year, \$20,000 the second, and \$46,700 thereafter. Cleal Bradford seconded the motion and it was agreed upon by the Board.

### #E058 Wellsville-Mendon Conservation District

Steve Wilde reported the district is requesting financial assistance to install 6,100 feet of rubber liner, underlain by a protective geotextile fabric, in a section of its 90 cfs earthen canal presently losing 600 acre-feet annually to seepage. The project is estimated to cost \$240,000. Ivan Flint made the motion, seconded by Harold Shirley to commit funds to the Wellsville-Mendon Conservation District in the amount of \$192,000 (80%) to be repaid with annual payments of \$22,000 at 3.2% interest over approximately 11 years. The Board agreed.

## SPECIAL ITEMS

### #D708 Draper Irrigation Company

Dennis Strong reported the company received almost \$7 million in the mid 1990's to help construct an \$8 million pressurized irrigation system to serve all the agricultural acreage and about two-thirds of the residential acreage within its service area. The company has applied to the Drinking Water Board for \$7.2 million to construct a culinary water project. As part of the

loan procedure, the company must provide the Drinking Water Board a security interest in the project water rights.

To enable the company to proceed with its loan with the Drinking Water Board, Bill Prater, special attorney general, has prepared an interagency agreement concerning the water rights; the effect of the agreement is to provide the necessary security for the Drinking Water Board, with no impact on the Board of Water Resources' security, position, or standing as owner of the water right.

Mike Georgeson of the Division of Drinking Water said the Drinking Water Board is about to close the loan with Draper Irrigation Co. to help fund the project. As additional security the Drinking Water Board would like to take a second position to the Board of Water Resources in ownership of the water rights the Board presently holds.

Bill Marcovecchio made the motion to authorize the signing of an interagency agreement between the Board of Water Resources and the Drinking Water Board to secure funding for the Draper Irrigation Co. Warren Peterson seconded the motion and the Board agreed.

#### #D745 Sandy Canal Co.

Chair Taylor introduced John Mabey, attorney. Boyd Phillips reported in 1994 the Board provided about \$445,400 (75%) to the company to help construct an irrigation pump station and low head pipeline project.

A company shareholder, whose shares of stock represent 18.5474% of the Sandy Canal Co.'s water rights, would like his shares returned in order to change the place and nature of use of his water. The company has agreed to this, and requests the Board release the amount of water rights represented by 18.5474% of the rights held by the Board. The company will prepay the Board an equal percentage of the outstanding principal balance, and requests its annual payment to the Board be reduced by the same percentage so assessments to its stockholders will not change. The proposed release would leave the Board with about 7,500 acre-feet of water worth well more than what the company owes.

Chair Taylor asked if the Board agrees to the proposal will the canal company be able to make their payment to the Board. John Mabey said Sandy City owns more than 50% of the canal company's shares; they operate the system and have enough resources to cover anything. He said the shareholders have the ability to pay their assessments.

Bill Marcovecchio expressed concerns for his company regarding the arrangement and said he will abstain from making the motion even though this is in his district. Cleal Bradford made the motion the Sandy Canal Company prepay the Board \$58,000 reducing the amount it owes to about \$254,800; the company's contract is to be amended to state the company will provide annual payments of \$15,600 at 0% interest through about 2018. Brad Hancock seconded the motion and the Board agreed; Bill Marcovecchio abstained and Warren Peterson opposed the

motion because the shareholder who triggered the whole process was excused from paying future assessments; Mr. Peterson felt he should be required to continue paying an assessment.

#### #D983 Hanna Water & Sewer District

Chair Taylor introduced Mac Reber, chairman; Dixie Jones, secretary; Rex Harrison, Horrocks Engineering; Ray Jones, Bonnie Carrig, USDA Rural Development; Alan Westenskow, Zions Bank. Russell Hadley reported the proposed project is located in and around Hanna and Tabiona in Duchesne County. The district has been incorporated since 1979 and has tried since that time to raise funds to develop a water and sewer system for the area to serve the existing 875 people. Tabiona has two small springs and a 400,000 gallon tank, but Hanna has no community water system.

In 1998 the Board authorized a culinary water system project for Hanna and Tabiona. Construction has been slower due largely to changed water sources. The construction cost and inflation over the past 3 ½ years have resulted in a current project cost estimate higher than that presented to the Board at authorization. The cost estimate is now \$4.597 million instead of the previously proposed \$3.694 million. The Board originally authorized \$1.146 million (31%) and the district is now asking for reauthorization at \$1.371 million (29.8%). The Rural and Economic Community Development has already authorized a grant in the amount of \$1.107 million (24.1%) and a loan of \$373,000, and the CIB has authorized a grant in the amount of \$735,000 and a loan in the amount of \$735,000.

Based on the Board's current water service affordability guidelines, users can pay up to \$24.01 monthly for their culinary water. The cost of water with the proposed project in place is estimated at about \$44.00 per month. The district plans on charging a base rate of \$46.00 for the first 8,000 gallons, \$1.50 per thousand gallons overage and a \$2500 connection fee.

When the project was originally authorized the Board required at least 245 connections be sold before the Board would commit funds. The district has currently sold 276 connections.

Mr. Reber said the original plan was to bring in a spring using federal money. This couldn't be done because of the wetlands act. The district then drilled two good producing wells. Brad Hancock asked how much these wells produced, and Mr. Reber said 450 gpm from both wells combined.

Director Anderson asked what Hanna residents do for water without a system. Mr. Reber said everybody has a little shallow well. Mr. Harrison of Horrocks Engineering said part of the need for this project is the water quality issue. The wells on the east side do not produce good quality water and therefore, some residents haul water.

Brad Hancock said if ever there was a community or a need in the state of Utah to help people get a water system, this is it. Cleal Bradford who sits on the CIB said he is acquainted with their persistence and commitment and applauds them being willing to do what needs to be done. Bonnie Carrig said RECD committed funds in December to the district.

Mr. Westenskow of Zions Bank said they were asked to help the district with some interim financing a few months ago for the RECD \$373,000 loan. He said they would also be willing to provide interim financing for the Board of Water Resources portion, however they would like a letter of commitment from the Board stating the Board will commit funds when they are available. Director Anderson suggested the Board commit funds at this meeting based on the district meeting the letter of conditions and on the availability of funds, knowing the funds will not be available until January of next year. He said he could not give the bank a letter stating the Board intends to commit funds before the Board actually commits the funds.

After discussion, it was decided funds would not be committed at this meeting as it was not on the agenda for committal; the project was on the agenda for reauthorization. Brad Hancock made a motion, seconded by Cleal Bradford. Warren Peterson made a substitute motion reauthorizing the Hanna Water and Sewer District project in the amount of \$1.371 million (29.8%) at 0% to be repaid in 25 years with annual payments ranging from approximately \$50,000 to \$64,000, subject to availability of funds. Staff is to work out details to facilitate committal of funds. Brad Hancock seconded the motion. The Board agreed unanimously.

#### ELECTION OF OFFICERS

Chair Taylor expressed appreciation to the staff, and said it had been a real privilege to get to know each one a little better. She also expressed appreciation to the Board.

Harold Shirley thanked Lucille Taylor for her efforts as chair. He nominated Warren Peterson as Chair and Paul Riley as Vice-chair. Ivan Flint seconded the motion. Bill Marcovecchio moved that nominations cease. Cleal Bradford seconded the motion and the Board agreed.

Warren Peterson thanked the Board for their support and said what an extraordinary group of people they are. He also thanked Lucille Taylor for her excellent job as chair. He returned the gavel to Ms. Taylor and asked her to finish chairing the meeting.

#### APPOINTMENT OF ADVISORS FOR UCRC AND BRC

Director Anderson advised the Board with the retirement of Dave Rasmussen as general manager of the Uintah Water Conservancy District, and Bob Morgan's appointment as the Executive Director of the Department of Natural Resources, changes need to be made to the advisors to the Upper Colorado River Commission and the Bear River Commission. Cleal Bradford made the motion to appoint Scott Ruppe, general manager of the Uintah Water Conservancy District, as advisor to the Upper Colorado River Commission and Jerry Olds, State Engineer, as advisor to both the Upper Colorado River Commission and the Bear River Commission. Bill Marcovecchio seconded the motion and the Board agreed.

## DIRECTOR'S REPORT

Director Anderson also thanked Lucille Taylor for her efforts, and said she conducts one of the best Board of Water Resources meetings he's ever sat through. Director Anderson referred the Board to a letter in the Board folder regarding the Coordinated Long Range Operating Criteria for the Colorado River reservoirs and said a letter had been written to the regional director of the Bureau of Reclamation informing him that it is Utah's position that it is premature to evaluate the current operations of the Colorado River System or to make any changes to the Long Range Operating Criteria. The Colorado River Basin States and the Secretary of the Interior agreed on how to operate the Colorado River for the next 15 years when they adopted the Interim Surplus Guidelines last January.

Director Anderson passed out copies of letters sent by the Governor encouraging cities, water conservancy districts, school districts and universities not to water lawns between the hours of 10 a.m. and 6 p.m. A copy of a time-of-day watering ordinance was attached to the city's letter and a copy of a time-of-day watering rule was attached to the water conservancy district's letter as an example of an ordinance or rule they could adopt. They were also encouraged to use the new water conservation web page ([www.conservewater.utah.gov](http://www.conservewater.utah.gov)). The Governor is holding a roundtable discussion on Saturday, April 20, at the Jordan Valley Water Conservancy District's offices to talk about water conservation and the drought. Director Anderson invited the Board members to attend.

## NEXT BOARD MEETING

On June 13, 2002 the Board will be touring the Sevier River Basin. The next Board meeting will be Friday, June 14, 2002 at the Days Inn in Richfield.

Meeting adjourned at 11:15 a.m.

